



CITY OF SUNRISE

AGENDA ITEM REQUEST

ORIGINATING DEPARTMENT: FINANCE/UTILITIES

ROUTING:

CITY MANAGER:

DATE: 7/9/2009

CITY MANAGER APPROVAL TO BEGIN PROCEDURES.

SIGNATURE: [Signature]

PURCHASING:

DATE: _____

PURCHASING APPROVAL:

SIGNATURE: _____

LEGISLATIVE AIDE:

DATE: 7/9/09 [Signature]

CITY ATTORNEY:

DATE: 7/9/09 [Signature]

ITEM REQUEST:

A resolution of the City of Sunrise, Florida, amending the Rate Schedules for water and sewer rates and charges pursuant to Section 15-116 of the City Code, and providing an effective date.

FUNDING SOURCE: N/A

AMOUNT: N/A

MANAGEMENT & BUDGET DIRECTOR
SIGNATURE: _____

ATTACHED EXHIBITS:

- 1) Water and Wastewater System Master Plan Revenue Sufficiency Analysis
- 2) Revised Schedule A, water and sewer rates and charges
- 3) Resolution

SUMMARY EXPLANATION/BACKGROUND INFORMATION/JUSTIFICATION:

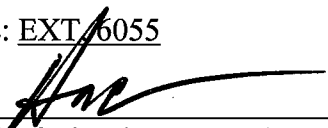
To assure the continued financial health of the Utility System, Public Resources Management Group, Inc. (PRMG) was hired to conduct a Water and Wastewater master plan revenue sufficiency analysis. PRMG has issued a report recommending adjustments to the Water and Wastewater revenues. A copy of their analysis and recommendations are attached to this ARF. PRMG has recommended a 40% adjustment to the rates effective August 1, 2009.

DEPARTMENT HEAD RECOMMENDATION:


APPROVAL

PERSON WITH ADDITIONAL INFORMATION:

NAME: HECTOR CASTRO PHONE: EXT. 6055


DEPARTMENT HEAD SIGNATURE: 
HECTOR CASTRO, UTILITIES DIRECTOR

NAME: LAURA TOEBE PHONE: EXT. 3217

DEPARTMENT HEAD SIGNATURE: 
LAURA TOEBE, FINANCE DIRECTOR

CITY MANAGER RECOMMENDATIONS:

APPROVED FOR AGENDA PLACEMENT.

SIGNATURE:  (CITY MANAGER)

SUNRISE, FLORIDA

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF SUNRISE, FLORIDA, AMENDING THE RATE SCHEDULE FOR WATER AND SEWER RATES AND CHARGES PURSUANT TO SECTION 15-116 OF THE CITY CODE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City and its financial and engineering consultants have performed a comprehensive and thorough review of the existing and projected operating expenses and capital needs of the City's water and wastewater systems; and

WHEREAS, the City's financial consultants have presented a report to the City which analyzes the City's current and projected financial position relating to the water and wastewater systems, specifically as such needs are driven by increases in operating costs and capital requirements; and

WHEREAS, the City's engineering consultants have presented the City with a Master Plan identifying water and wastewater capital needs, which plan formed the basis for further analysis by such engineers and City utility department staff, the results of which are included in the financial consultant's report; and

WHEREAS, the financial consultants have advised the City that an increase in water and wastewater rates, charges and deposits is required to enable the City to continue to meet operating expenses and capital needs of the City's water and

wastewater systems and comply with the financial covenants in the City's outstanding bonds, and City finance staff has advised the City Commission that it concurs with the findings of the financial consultant; and

WHEREAS, the City Commission has been presented with the reports, plans and findings of its financial and engineering consultants, performed in cooperation with and at the direction of the City's finance and utility department staffs; and

WHEREAS, these documents establish the need for the City to invest millions in capital projects principally to comply with the regulatory requirements of the South Florida Water Management District and to provide for the replacement of significant portions of the City's water and wastewater system infrastructure; and

WHEREAS, the City's experience concerning projected cost increases and capital needs is comparable to the experiences of many other water and wastewater utilities in this region which have undergone or are in the process of similar rate adjustments to address these factors; and

WHEREAS, the City Commission has considered the reports, plans, findings and other facts as presented to it in public workshops and meetings duly noticed and in compliance with applicable law;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF

THE CITY OF SUNRISE, FLORIDA:

Section 1. An Amendment to the Rate Schedule for Water and Sewer Rates is hereby approved. A copy of the amended schedule is attached hereto and made a part of this Resolution as Exhibit "A."

Section 2. Effective Date. This Resolution shall be effective immediately upon its passage.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2009.

Mayor Roger B. Wishner

Authentication:

Felicia M. Bravo
City Clerk

MOTION: _____
SECOND: _____

ALU: _____
ROSEN: _____
SCUOTTO: _____
SOFIELD: _____
WISHNER: _____

Approved by the City Attorney
as to Form and Legal Sufficiency. _____
Stuart R. Michelson

Schedule A, water and sewer rates and charges.

(a) *Definitions.* The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them herein, except where the context clearly indicates a different meaning:

Base facility charge (BFC) shall mean a charge to on-line customers that consists of a portion of the annual fixed and non-variable utility system expenses. The BFC is paid monthly regardless of the amount of water and sewer used and is computed at a fixed rate per equivalent residential connection (ERC).

Capacity reservation fees shall have the meaning set forth in sections 15-1 and 15-73.

Commodity charge shall mean the monthly charge paid on a per thousand gallon basis by all on-line customers with recorded water consumption during the month. These charges are intended to recover the customer's pro rata share of all other utility system expenses related to use of water and sewer service that are not recovered by the base facility charge.

Connection fee shall mean a one-time per equivalent residential connection (ERC) payment made by a future customer (property owner or developer) at the time capacity is reserved. It has been established at an amount that will ensure that each new customer pays its pro rata share of the reasonably anticipated cost of expanding utility facilities necessitated by the customer's connection to the utility.

Equivalent residential connection (ERC) shall mean a standard of measurement used to establish equivalent charges for all categories of utility system customers.

General service shall mean a customer classification that includes all billing units that are not in the single family category, the multifamily category, the public utility redistributor category or the government ownership category.

Government ownership customer shall mean a customer classification that includes utility service to billing units for which the underlying property is owned by a government entity.

Guaranteed revenues fee (GRF) shall mean charges paid monthly by those customers who have obtained a permit from the

City prior to adoption of capacity reservation fees but have not yet connected to the System. GRF's are equal to the BFC for a single family residential ERC per month times the number of ERC's calculated for the new customer's project. If a balance is outstanding more than ninety (90) days, the permit will lapse automatically. To restore a lapsed permit, all outstanding balances and unbilled accrued guaranteed revenue charges, with accrued interest charges of twelve (12) percent per annum from the 30th day of delinquency, must be paid in full.

Multifamily shall mean a customer classification that includes all residential dwelling units that are one of several units that share one or more common walls and are master metered. The billing category of multifamily is not to be further divided into subcategories by meter size.

Public utility redistributor (PUR) shall mean a customer classification that includes all public utility customers which receive utility service from the city and redistribute such service to said public utility's customers. PUR customers' rates, fees and charges shall be equal to the aggregate of the rates, fees and charges which would apply if the City provided service directly to the PUR's individual customers. For such purposes, the City shall classify the PUR's customers in the same category of service, rates, fees and charges as its direct customers are classified, including the applicable rates, fees and charges depending upon location of customers inside or outside City's municipal boundaries.

Single family customer shall mean a customer classification that includes all residential dwelling units that do not share a common wall with another unit and all dwelling units that are common-walled and individually metered.

(b) Effective 8/1/09, the following rates shall apply to residential customers, within the City limits.

(1) Single-family:

a. Water:

Base facility charge per month ~~\$10.25~~ \$14.35

Commodity charge per 1,000 gallons of usage per month:

0 to 30,000 gallons ~~\$2.01~~ \$2.81

In excess of 30,000 gallons ~~\$2.55~~ \$3.57

b. Sewer:

Base facility charge per month ~~\$14.57~~ \$20.40

Commodity charge per 1,000 gallons of water usage per month to a maximum of 16,000 gallons ~~\$2.04~~ \$2.86

(2) Multifamily:

a. Water:

Base facility charge per month per unit ~~\$7.16~~ \$10.02

Commodity charge per 1,000 gallons of usage per month times the number of units ~~\$2.12~~ \$2.97

b. Sewer:

Base facility charge per month ~~\$10.21~~ \$14.29

Commodity charge per 1,000 gallons of water usage per month to a maximum of 11,000 gallons times the number of units ~~\$2.04~~ \$2.86

(c) Effective 8/1/09, the following amounts shall apply to residential customers outside City limits. These amounts are the same as in-city rates with the inclusion of the twenty-five (25) percent statutory surcharge.

(1) Single-family:

a. Water:

Base facility charge per month ~~\$12.81~~ \$17.94

Commodity charge per 1,000 gallons of usage per month:

0 to 30,000 gallons ~~\$2.51~~ \$3.51

In excess of 30,000 gallons ~~\$3.19~~ \$4.46

b. Sewer:

Base facility charge per month ~~\$18.21~~ \$25.50

Commodity charge per 1,000 gallons of water usage per month to a maximum of 16,000 gallons ~~\$2.55~~ \$3.58

(2) Multi-family:

a. Water:

Base facility charge per month per unit ~~\$8.95~~ \$12.53

Commodity charge per 1,000 gallons of usage per month times the number of units ~~\$2.65~~ \$3.71

b. Sewer:

Base facility charge per month ~~\$12.76~~ \$17.86

Commodity charge per 1,000 gallons of water usage per month to a maximum of 11,000 gallons times the number of units ~~\$2.55~~ \$3.58

(d) Effective 8/1/09, the following rates shall apply to general service customers within the City limits.

(1) Water:

- a. Base facility charge per month, per ERC, based on demand conversion to ERC's multiplied by the number of ERC's of demand as determined by the Department of Planning and Development in accordance with the minimum design flow provisions of F.A.C. 64E-6.008, as revised from time to time

~~\$14.34~~ \$20.08

For customers pending determination of demand conversion by the Department of Planning and Development, BFC per month based on meter equivalencies:

5/8 inch	\$14.34	\$20.08
1 inch	\$35.84	\$50.18
1½ inch	\$79.88	\$111.83
2 inch	\$130.05	\$182.07
3 inch	\$266.29	\$372.81
4 inch	\$310.32	\$434.45

- b. Commodity charge per 1,000 gallons of usage per month

~~\$2.12~~ \$2.97

(2) Sewer:

- a. Base facility charge per month, per ERC, based on demand conversion to ERC's multiplied by the number of ERC's of demand as determined by the Department of Planning and Development in accordance with the minimum design flow provisions of F.A.C. 64E-6.008, as revised from time to time

~~\$20.40~~ \$28.56

For customers pending determination of demand conversion by the Department of Planning and Development, BFC per month based on meter equivalencies:

5/8 inch	\$20.40	\$28.56
1 inch	\$51.00	\$71.40
1½ inch	\$113.67	\$159.14
2 inch	\$185.08	\$259.11
3 inch	\$378.89	\$530.45
4 inch	\$441.56	\$618.18

- b. Commodity charge per 1,000 gallons of water usage per month ~~\$2.04~~ \$2.86

(e) Effective 8/1/09, the following rates shall apply to general service customers outside the City limits. These amounts are the same as in-city rates with the inclusion of the twenty-five (25) percent statutory surcharge.

(1) Water:

- a. Base facility charge per month, per ERC, based on demand conversion to ERC's multiplied by the number of ERC's of demand as determined by the Department of Planning and Development in accordance with the minimum design flow provisions of F.A.C. 64E-6.008, as revised from time to time ~~\$17.93~~ \$25.10

For customers pending determination of demand conversion by the Department of Planning and Development, BFC per month based on meter equivalencies:

5/8 inch	\$17.93	\$25.10
1 inch	\$44.80	\$62.73
1½ inch	\$99.85	\$139.79
2 inch	\$162.56	\$227.59
3 inch	\$332.86	\$466.01
4 inch	\$387.90	\$543.06

- b. Commodity charge per 1,000 gallons of usage per month ~~\$2.65~~ \$3.71

(2) Sewer:

- a. Base facility charge per month, per ERC, based on water demand conversion to ERC's multiplied by the number of ERC's of demand as determined by the Department of Planning and Development in accordance with the minimum design flow provisions of F.A.C. 64E-6.008, as revised from time to time

~~\$25.50~~ \$35.70

For customers pending determination of demand conversion by the Department of Planning and Development, BFC per month based on meter equivalencies:

5/8 inch	\$25.50	\$35.70
1 inch	\$63.75	\$89.25
1½ inch	\$142.09	\$198.93
2 inch	\$231.35	\$323.89
3 inch	\$473.61	\$663.06
4 inch	\$551.95	\$772.73

- b. Commodity charge per 1,000 gallons of water usage per month ~~\$2.55~~ \$3.58

(f) The required deposits are as follows:

(1) Single-family owner dwelling units:

- a. Water service ~~40.00~~ 55.00
b. Sewer service ~~50.00~~ 70.00

(2) Single-family rental properties:

- a. Water service ~~80.00~~ 110.00
b. Sewer service ~~100.00~~ 140.00

Master metered multi-family buildings shall pay the deposit set forth below multiplied by the number of units behind the master meter, as applicable, but not prior to rendering of service:

(3) Multi-family, owner:

- a. Water service ~~40.00~~ 55.00
- b. Sewer service ~~50.00~~ 70.00

(4) Multi-family, rental:

- a. Water service ~~80.00~~ 110.00
- b. Sewer service ~~100.00~~ 140.00

(5) General service: Deposits for general service accounts shall be according to the following table:

<i>Meter Size</i>	<i>Water Deposit</i>		<i>Sewer Deposit</i>	
5/8 inch	\$60.00	85.00	\$70.00	100.00
1 inch	140.00	195.00	175.00	245.00
1½ inch	310.00	435.00	390.00	545.00
2 inch	505.00	700.00	635.00	890.00
3 inch	1,040.00	1,455.00	1,300.00	1,820.00
4 inch	1,215.00	1,700.00	1,515.00	2,120.00
Over 4 inches	60.00 *	85.00*	70.00 *	100.00*

*to be multiplied by the number of ERC's of demand as determined by the Department of Planning and Development in accordance with the minimum design flow provisions of F.A.C. 64E-6.008, as revised from time to time.

(6) In the event any customer has utility service disconnected twice in any six-month period for non-payment, the City may require the customer to pay an additional deposit equal to twice the

scheduled amount before service will be reconnected.

(g) The meter installation charges are due at the time a building permit is obtained and are as follows:

<i>Meter Size</i>	<i>Installation Charge</i>	<i>Removal</i>	<i>Reinstallation</i>
3/4 inch	\$150.00	\$50.00	\$50.00
1 inch	200.00	50.00	50.00
1½ inch	350.00	75.00	75.00
2 inch	500.00	100.00	100.00

Removal and reinstallation charges for meters larger than two (2) inches shall be determined by the Utilities Department based on actual cost.

Meters larger than two (2) inches shall be provided and installed by the consumer which shall become the property of the City. Meter type, design, size and installation shall be prescribed, approved and subject to inspection by the City.

(h) The customer service charges are as follows:

- (1) The administrative charge for closing an account is fifteen dollars (\$15.00) per water meter. This fee includes meter turnoff.
- (2) Upon the opening of the account, there will be no meter charge for initiating service or meter turn-on.
- (3) Meter turn-off or turn-on by customer request. Water service may be discontinued temporarily at the request of the customer. During the period when service is turned off, base facility charges will continue for water and sewer service as listed above. A fee of fifteen dollars (\$15.00) will be charged to turn off service and a fee of fifteen dollars (\$15.00) will be charged to turn on service. No additional deposit will be required when turn-off and turn-on service is requested by the same customer.

- (4) Meter turn-off and turn-on of water service for nonpayment.
- a. Water service will be discontinued due to nonpayment of monthly utility service bills. A fee of fifteen dollars (\$15.00) will be charged for turning off service. During the period when service is locked off, base facility charges will continue for water and sewer service as listed above. A fee of fifteen dollars (\$15.00) will be charged for turning on service. If water service is discontinued a second time within any six-month period for nonpayment, the fee for turning off service shall be twenty-five dollars (\$25.00) and turning on service shall be twenty-five dollars (\$25.00). Service will be restored when all past due and accrued fees and charges have been paid in full. A fee of thirty dollars (\$30.00) will be charged to turn on service the same day the request is received and for turn-ons that occur after 5:00 p.m.
 - b. Tampering with a locked-off service may result in removal of the water meter and plugging of the water and/or sewer service line. A fee of fifty dollars (\$50.00) will be charged for removal of a three-quarter-inch water meter or unauthorized connection or device. The charge for removal of water meters of other sizes and meter reinstallation will be the charge specified in subsection (g) above. Base facility charges noted above will continue to accrue for both water and sewer service. A fee of twenty-five dollars (\$25.00) will be charged to replace a broken lock on a locked-off meter.
 - c. For any interference or tampering, whether by act of commission or omission, with a meter measuring the water supply, or seals of any meter, or with any meter box or vault, or with water service pipes, or valves or any seals, or with any appliance of the owner, which was or is required by the City for controlling or regulating the water supply service, or any owner or consumer who shall make or cause to be made any connection with any main service pipe or other pipe, appliance or appurtenances used for or in connection with City utilities in such a manner as to supply water from such

connection to any faucet or other outlet whatsoever without such water passing through a meter or other measuring device used by the Utilities Department for measuring and registering the quantity so passing through, or shall make or cause to be made without the written consent of the Utilities Department in such a manner as to make any connection with any premises or building other than the premises or building intended as stated in the application for utility services by such water connection, or with the intent to defraud the Utilities Department, and for the purpose of their regulation and interference or tampering with any appliances used in the connection with or for controlling or regulating the water supply service to any premises, shall be construed and taken to be an act of the owner or consumer using water service at said premises. The charge for meter tampering is one hundred dollars (\$100.00) for each occurrence.

(5) Meter reread.

- a. A customer may request one (1) water meter reread at no charge during any consecutive six-month period.
- b. No charge for a meter reread when the discrepancy is more than ten thousand (10,000) gallons.
- c. A meter reread for a discrepancy of less than ten thousand (10,000) gallons based on historical monthly consumption is unwarranted since the excess consumption billed will even out on the next meter reading. A service charge of ten dollars (\$10.00) will be rendered if the customer insists on a reread and the confirmed meter reading error is computed to be less than ten thousand (10,000) gallons. A fee will be charged to test the accuracy of a meter as specified in subsection (6) below. If the test determines that a meter is malfunctioning, no fee shall be charged.

(6) Meter testing charge.

<i>Meter Size</i>	<i>Charge</i>
5/8 inch and 3/4 inch	\$20.00
1 inch and 1½ inch	30.00
2 inch	50.00

For meters over two (2) inches, the charge shall be as prescribed by the utilities department based on actual cost.

(7) Fire line charges.

<i>Meter Size</i>	<i>Charge per year</i>	
2 inch	\$75.00	100.00
2.5 inch	117.00	165.00
3 inch	168.00	235.00
4 inch	300.00	420.00
6 inch	600.00	840.00
8 inch	1,200.00	1,680.00
10 inch	2,400.00	3,360.00

For meters over 10 inches, the charge shall be by negotiation with the city engineer and approved by city commission.

(8) Clearing and testing of water mains. A fee of seventy-five dollars (\$75.00) shall be charged for clearing (flushing) water mains and twenty-five dollars (\$25.00) shall be charged for water pressure testing on the water mains under construction. This fee shall be collected in advance of performing these services.

(i) When a tenant closes out an account, the property owner of record shall be charged the base facility charges as required above until new tenant opens an account or the property is sold to a new owner.

(j) Effective 8/1/09, the following rates shall apply to government ownership customers within the city limits:

(1) Water:

- a. Base facility charge for all meter sizes multiplied by the number of ERC's as determined by the utility engineer

~~\$24.23~~ \$29.97

- b. Commodity charge per 1,000 gallons of usage

~~\$2.12~~ \$2.97

(2) Sewer:

- a. Base facility charge for all meter sizes multiplied by the number of ERC's as determined by the utility engineer

~~\$29.29~~ \$37.45

- b. Commodity charge per 1,000 gallons of usage

~~\$2.04~~ \$2.86

(k) Effective 8/1/09, the following rates shall apply to government ownership customers outside the city limits:

(1) Water:

- a. Base facility charge for all meter sizes multiplied by the number of ERC's as determined by the utility engineer

~~\$27.82~~ \$34.99

- b. Commodity charge per 1,000 gallons of usage

~~\$2.65~~ \$3.71

(2) Sewer:

- a. Base facility charge for all meter sizes multiplied by the number of ERC's as determined by the utility engineer

~~\$34.39~~ \$44.59

b. Commodity charge per 1,000 gallons of water usage	\$2.55	\$3.58
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(l) Effective 8/1/09, the following rates shall apply to residential customers within the previously Florida Public Service Commission certificated service area of Clay Utility, Inc., d/b/a South Broward Utility, Inc. These rates include a twenty-five (25) percent statutory surcharge.

(1) *Single-family:*

a. Water:

Base facility charge:

5/8 inch	\$10.82	\$15.15
3/4 inch	\$16.19	\$22.67
1 inch	\$26.98	\$37.77
1½ inch	\$53.96	\$75.54
2 inch	\$86.36	\$120.90
Over 2 inches	\$10.82*	\$15.15*

*Multiplied by the number of ERC's of demand as determined by the department of planning and development in accordance with the minimum design flow provisions of F.A.C. 64E-6.0008, as revised from time to time.

Commodity charge per 1,000 gallons	\$2.67	\$3.74
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b. Sewer:

Base facility charge	\$12.29	\$17.21
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Commodity charge per 1,000 gallons of water
usage per month to a maximum of 10,000
Gallons ~~\$4.06~~ \$5.68

(2) *Multifamily:*

a. Water:

Base facility charge per month per unit	\$7.57	\$10.60
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Commodity charge per 1,000 gallons of water
usage per month times the number of units
~~\$2.67~~ \$3.74

b. Sewer:

Base facility charge per month per unit
~~\$8.62~~ \$12.07

Commodity charge per 1,000 gallons of water
usage per month to a maximum of 7,000 gallons
times the number of units ~~\$4.06~~ \$5.68

(m) Effective 8/1/09, the following rates shall apply to general service customers within the previously Florida Public Service Commission certificated service area of Clay Utility, Inc., d/b/a South Broward Utility, Inc. These rates include a twenty-five (25) percent statutory surcharge.

(1) Water:

a. Base facility charge, based on demand ERC conversion:

5/8 inch	\$10.82	\$15.15
3/4 inch	\$16.19	\$22.67
1 inch	\$26.98	\$37.77
1½ inch	\$53.96	\$75.54
2 inch	\$86.36	\$120.90
3 inch	\$172.72	\$241.81
4 inch	\$269.88	\$377.83
Over 4 inches	\$10.82*	\$15.15*

*Multiplied by the number of ERC's of demand as determined by the department of planning and development in accordance with the minimum design flow provisions of F.A.C. 64E-6.0008, as revised from time to time.

Commodity charge per 1,000 gallons of water
usage per month ~~\$2.67~~ \$3.74

(2) Sewer:

a. Base facility charge, based on demand ERC conversion:

5/8 inch	\$12.29	\$17.21
3/4 inch	\$18.44	\$25.82
1 inch	\$30.73	\$43.02
1½ inch	\$61.48	\$86.07
2 inch	\$98.38	\$137.73
3 inch	\$196.71	\$275.39
4 inch	\$307.39	\$430.35
Over 4 inches	\$12.29*	\$17.21*

*Multiplied by the number of ERC's of demand as determined by the department of planning and development in accordance with the minimum design flow provisions of F.A.C. 10D-6.048(1), as revised from time to time.

Commodity charge per 1,000 gallons of water usage per month ~~\$4.89~~ \$6.85

(n) Effective 8/1/09, the following rates shall apply to government ownership customers within the previously Florida Public Service Commission certificated service area of Clay Utility, Inc., d/b/a South Broward Utility, Inc. These rates include a twenty-five (25) percent statutory surcharge.

(1) Water:

a. Base facility charge for all meter sizes multiplied by the number of ERC's as determined by the utility engineer

~~\$20.41~~ \$24.74

b. Commodity charge per 1,000 gallons of usage

~~\$2.67~~ \$3.74

(2) Sewer:

a. Base facility charge for all meter sizes multiplied by the number of ERC's as determined by the utility engineer

~~\$20.92~~ \$25.84

b. Commodity charge per 1,000 gallons of water usage	\$4.89	\$6.85
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(o) *Cooling towers:*

- (1) A water connection that is designated specifically for service to a cooling tower is to be used solely for the purpose of providing water flow to the cooling tower and is to have no connection whatsoever with any service lines that may be used for other purposes.
- (2) Cooling tower water usage can be broken down into evaporation, drift losses and bleed off. Bleed off is the only water use component that is discharged to the sanitary sewer system. The amount of bleed off water that is discharged to the sanitary sewer system is based upon peak flow rates, temperature ranges, and concentration of dissolved solids.
- (3) The city has determined that, since only a portion of cooling tower water use is discharged to the sanitary sewer system, it is appropriate to charge wastewater commodity charges on only that portion of water use that actually enters the waste water system.
- (4) As bleed off rates for each model of cooling tower may vary, the planning and development department will perform a sanitary sewer discharge calculation for each cooling tower connection based on information prepared by the cooling tower manufacturer and provided by the customer to the city.
- (5) A customer may submit an application to the planning and development department for a cooling tower water connection. The customer will be required to pay connection fees, meter fees, and permit fees, as determined by the city.
- (6) Cooling tower connections shall be billed monthly for water and wastewater base facility charges and commodity charges as provided for general service customers. Wastewater commodity charges shall be based on water usage, adjusted pursuant to subsection (4) above by the planning and development department.

SUNRISE, FLORIDA

RESOLUTION NO. 09-_____

A RESOLUTION OF THE CITY OF SUNRISE, FLORIDA,
AMENDING THE RATE SCHEDULE FOR WATER AND
SEWER RATES AND CHARGES PURSUANT TO
SECTION 15-116 OF THE CITY CODE; AND PROVIDING
AN EFFECTIVE DATE.

WHEREAS, the City and its financial and engineering consultants have performed a comprehensive and thorough review of the existing and projected operating expenses and capital needs of the City's water and wastewater systems; and

WHEREAS, the City's financial consultants have presented a report to the City which analyzes the City's current and projected financial position relating to the water and wastewater systems, specifically as such needs are driven by increases in operating costs and capital requirements; and

WHEREAS, the City's engineering consultants have presented the City with a Master Plan identifying water and wastewater capital needs, which plan formed the basis for further analysis by such engineers and City utility department staff, the results of which are included in the financial consultant's report; and

WHEREAS, the financial consultants have advised the City that an increase in water and wastewater rates, charges and deposits is required to enable the City to continue to meet operating expenses and capital needs of the City's water and wastewater systems and comply with the financial covenants in the City's outstanding bonds, and City finance staff has advised the City Commission that it concurs with the findings of the financial consultant; and

WHEREAS, the City Commission has been presented with the reports, plans and findings of its financial and engineering consultants, performed in cooperation with and at the direction of the City's finance and utility department staffs; and

WHEREAS, these documents establish the need for the City to invest millions in capital projects principally to comply with the regulatory requirements of the South Florida Water Management District and to provide for the replacement of significant portions of the City's water and wastewater system infrastructure; and

WHEREAS, the City's experience concerning projected cost increases and capital needs is comparable to the experiences of many other water and wastewater utilities in this region which have undergone or are in the process of similar rate adjustments to address these factors; and

WHEREAS, the City Commission has considered the reports, plans, findings and other facts as presented to it in public workshops and meetings duly noticed and in compliance with applicable law;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SUNRISE, FLORIDA:

Section 1. An Amendment to the Rate Schedule for Water and Sewer Rates is hereby approved. A copy of the amended schedule is attached to this Resolution as Exhibit "A".

Section 2. Effective Date. This Resolution shall be effective immediately upon its passage.

PASSED AND ADOPTED THIS DAY OF JULY, 2009.

Mayor Roger B. Wishner

Authentication:

Felicia M. Bravo
City Clerk

MOTION: _____
SECOND: _____

WISHNER: _____
ROSEN: _____
ALU: _____
SCUOTTO: _____
SOFIELD: _____

Approved by the City Attorney
as to Form and Legal Sufficiency.

Stuart R. Michelson

CITY OF SUNRISE, FLORIDA



WATER AND WASTEWATER SYSTEM MASTER PLAN REVENUE SUFFICIENCY ANALYSIS

July 9, 2009



Public Resources Management Group, Inc.
Utility, Rate, Financial and Management Consultants



Public Resources Management Group, Inc.
Utility, Rate, Financial and Management Consultants

July 9, 2009

Honorable Mayor and
Members of the City Commission
City of Sunrise
10770 W. Oakland Park Blvd.
Sunrise, FL 33351

Subject: Water and Wastewater System Master Plan Revenue Sufficiency Analysis

Ladies and Gentlemen:

Public Resources Management Group, Inc. (PRMG) has completed our five year revenue sufficiency analysis of the monthly user rates for the water and wastewater utility system (the "System" or the "Utility") of the City of Sunrise (the "City"), and has summarized the results of our findings in this report, which is submitted for your consideration. The purpose of our analysis was to: i) evaluate the ability of the System to produce sufficient revenues in order to meet the projected operating expenses, required transfers, and capital expenditure needs as identified in the City's recently completed Utility Master Plan of the System; ii) evaluate the compliance of the System Net Revenues with the rate covenants as defined in Ordinance No. 696-X, as amended and supplemented (the "Bond Ordinance") which authorized the issuance of the outstanding bonds; and iii) review the general financial position of the System.

Based upon our analyses and assumptions as documented in the attached report and in order to fund the operational and identified capital needs of the System we are recommending that the City Commission (the "Commission") adopt a uniform water and wastewater rate adjustment of 40.0% effective August 1, 2009. Although further rate adjustments are identified in our analysis in order to fund future capital needs, the Commission should reevaluate the need of such future rate adjustments at such time that a more accurate account of the capital and financing costs are known.

During the course of the analysis PRMG evaluated the financial needs of the System to ensure:

1. funding of operations and maintenance which have increased significantly within recent years due to: i) significant increases in personnel, electrical and chemical costs; ii) continued inflation on the cost of other operations and maintenance expenses; and iii) the implementation of more stringent regulation on the treatment of water and wastewater;
2. funding of debt service requirements on the Outstanding and Proposed Bonds allocable to the utility system and to comply with the rate covenant requirements as delineated in the Bond Ordinance which authorized the issuance of such bonds;

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3. funding of the Utility's Renewal and Replacement Fund in support of the financing of renewals, replacements, betterments, and upgrades to existing and aging infrastructure; and
4. maintain sufficient operating and financial targets to attract necessary capital investment and promote the continued creditworthiness of the Utility over the long term.

UTILITY FINANCIAL REQUIREMENTS

In the development of the financial analysis for the determination of the proposed water and wastewater rate adjustments, a generally accepted approach to the development of the funding requirements from rates was recognized. This method, which is commonly used by public utilities that have issued utility bonds in support of the funding of capital improvements, included the following general approach:

+	Cost of Operation and Maintenance
+	Debt Service Payments
+	Debt Service Coverage
+	Capital Project Financing
+	Working Capital Reserves / Financial Compliance
-	Other Operating Revenue and Income
=	Net Revenue Requirements (Funded from Rates)

In the development of the net revenue requirements, several assumptions were made by PRMG. The development of the recommended rate adjustments are shown on Table 1 at the end of this report. The following is a discussion of these significant assumptions / analyses made by PRMG in the revenue sufficiency analysis.

Utility Cost of Operations and Maintenance

The Cost of Operations and Maintenance (as defined in the Bond Ordinance and sometimes referred to as the "operating expenses") for the System were predicated on the Fiscal Year 2009 proposed operating budget which reflect the most recent annual financial projections at the time of the revenue sufficiency analysis. Such budget projections appear to be reasonable based on a historical comparison of such costs during the Fiscal Years 2004 through 2008 and discussions with the City. A contingency allowance was assumed to limit the risk associated with unknown or unplanned expenses or changes in revenues due to a variety of factors. The following is a summary of the Cost of Operation and Maintenance recognized in the rate evaluation for the fiscal year 2009, which is shown in more detail in Table 4 at the end of this report:

System Cost of Operation and Maintenance	
	<u>Fiscal Year 2009 [*]</u>
Salaries and Wages, Including Benefits	\$ 15,230,859
Electricity	6,254,686
Administrative Services	3,907,909
Indian Trace Cost Reimbursement	3,363,715
Chemicals	2,969,490
Sludge Removal Expense	2,577,212
Other Operating Expenses	2,167,220
Repairs and Maintenance	1,772,753
Contractual Services	1,459,032
Insurance	1,427,470
Professional and Legal Services	995,659
Contingency Allowance	<u>433,985</u>
 Total Cost of Operation and Maintenance	 <u>\$42,559,990</u>

[*] Amounts shown derived from Table 4.

The projected Cost of Operation and Maintenance associated with the fiscal year 2009 was subsequently escalated for an additional five fiscal years to evaluate trends in expenses and to initiate the development of a financial forecast for ongoing revenue sufficiency review purposes by the City. The financial forecast included the fiscal years 2009 through 2014 (the "Forecast Period").

The projected Cost of Operation and Maintenance was escalated above the fiscal year 2009 budgeted amounts by PRMG based on discussions with City staff, recent historical trends, and other factors which include the following:

1. Salaries and Wages were escalated by 3.5%, which was considered reasonable when compared to escalation references used by other public utilities. No employee additions were recognized during the Forecast Period based on discussions with City staff. Additionally, included in the evaluation of the Cost of Operation and Maintenance is the Other Post Employment Benefit liability as required to be recognized in accordance with Governmental Accounting Standards Board Statement No. 45 as well as the Retiree Health Insurance Expense. The projected average annual increase in all personnel related expenses is approximately 9.8%.

It should also be noted that the City currently capitalizes labor expenses of employees working on the construction of capital projects. For the Fiscal Year 2009, approximately \$4.6 million in personnel expenses were budgeted as capitalized and funded from cash balances within Fund 402 Renewal and Replacement Fund and Fund 403 Connection Fee Fund. Based on discussions with staff beginning in Fiscal Year 2010, it was assumed that

personnel expenses should be budgeted in the Operating Fund (Fund 401) and recognized as a Cost of Operation and Maintenance to ensure a recurring revenue source to fund such personnel expenses and to limit the risk of under-recovery in revenue.

2. Electrical expenses were projected to increase from 7% to 10% based upon the implementation of the proposed capital improvement program. It is anticipated that the City shall incur an incremental increase in electrical expenses based on discussions with the City's Consulting Engineers as new treatment facilities are phased into service. It is anticipated that such incremental expenses will increase electrical expenses for the City by approximately \$1.3 million by Fiscal Year 2014. This increase is offset by recognizing the effects of the current economic downturn and reduced flow growth.
3. Administrative Services expenses were escalated using the assumed labor escalation factor of 3.5% annually.
4. Chemical expenses were escalated by a range of annual factors from 10% to 15%. This escalation factor was assumed after a review of recent historical trend of such expenses during the Fiscal Years 2004 through 2008. It should be noted that based upon the implementation of the proposed capital improvement program it is anticipated that the City shall incur an incremental increase in chemical expenses based on discussions with the City's Consulting Engineers. It is anticipated that such incremental expenses will increase chemical expenses for the City by approximately \$0.8 million by Fiscal Year 2014.
5. Insurance expenses were escalated by a factor of 10% annually. This escalation factor was assumed after a review of recent historical growth trends over a five (5) fiscal year period comprised of the Fiscal Years 2004 through 2008.
6. Sludge removal expenses were escalated during the Forecast Period based on discussions with the City's Consulting Engineers who identified a range of factors indicating cost increases from 5% to 10%. Such expenses were adjusted for anticipated changes in flow growth.
7. Professional and Contractual Services were escalated based on an annual factor of 2.5%.
8. Repairs and maintenance expenses were escalated annually by a range of factors from 4% to 10% based on discussions with the City's Consulting Engineers and reflects the budgeted operating need for repairs and maintenance to the current infrastructure.
9. Fuels and lubricants were escalated by 5.0% annually based on a review of recent historical trends and anticipation of future increases.

10. Other operating expenses not specifically mentioned above were generally escalated based on an assumed CPI index of 2.8%, and where applicable, System growth.

Based on the above assumptions the projected Cost of Operation and Maintenance during the Forecast Period is anticipated to increase by approximately 8.8% annually. This change in projected expenses is greater than the recent historical growth rate of 6.9% as recorded for the Fiscal Years 2004 through 2008 due primarily to the incremental cost associated with the new plant additions and the recognition of the OPEB expenses. The detailed projection of the Cost of Operation and Maintenance can be found on Table 5 at the end of this report.

Capital Improvement Program (CIP)

As previously mentioned, the City's Consulting Engineers recently completed a Master Plan which identified the current and projected capital needs of the System. After discussions with staff and the City's Consulting Engineer, the capital identified within the Master Plan was adjusted to postpone any growth related projects in light of the current economic downturn. The projection of such capital needs is categorized into three categories: i) renewals and replacements representing the need to improve or replace the existing infrastructure of the System; ii) regulatory compliance requirements necessitated as a result of Florida Department of Environmental Protection (FDEP) and South Florida Water Management District (SFWMD) mandates or requirements; and iii) alternative water resource and growth projects. The summary projection of such capital needs along with the proposed capital financing plan follows:

Summary of Projected CIP Funding and Projects by Category [1]							
	Projected Fiscal Year Ending September 30,						
Description	2009	2010	2011	2012	2013	2014	Six-Year Total
SYSTEM PROJECTS:							
Alternative Water Resource and Growth Projects	\$4,492,355	\$4,362,462	\$13,548,784	\$15,521,211	\$19,941,884	\$36,469,931	\$94,336,627
Renewal and Replacement Projects	16,964,435	41,645,905	61,916,122	65,649,081	47,218,465	40,026,154	273,420,162
Regulatory Compliance and Growth Projects	<u>7,292,400</u>	<u>10,587,782</u>	<u>18,762,124</u>	<u>7,698,480</u>	<u>6,955,644</u>	<u>3,582,157</u>	<u>54,878,587</u>
Total System Projects	<u>\$28,749,190</u>	<u>\$56,596,149</u>	<u>\$94,227,030</u>	<u>\$88,868,772</u>	<u>\$74,115,993</u>	<u>\$80,078,242</u>	<u>\$422,635,376</u>
FUNDING SOURCES:							
Renewal and Replacement Fund	\$13,762,165	\$14,517,631	\$11,417,927	\$11,784,143	\$17,083,862	\$12,115,913	\$80,681,641
Connection Fees Fund	6,611,065	6,399,390	15,113,569	4,225,942	2,967,618	13,731,414	49,048,998
Prior Period Bond Proceeds	8,375,960	4,078,099	-	-	-	-	12,454,059
Proposed Debt Funding:							
Series 2010 Bonds (Issued Jan 1, 2010)	-	31,601,029	42,029,561	18,542,756	-	-	92,173,346
Series 2011 Bonds (Issued Jan 1, 2011)	-	-	25,665,973	24,971,664	10,543,597	-	61,181,234
Series 2012 Bonds (Issued Jan 1, 2012)	-	-	-	29,344,267	24,886,137	19,625,443	73,855,847
Series 2013 Bonds (Issued Jan 1, 2013)	-	-	-	-	<u>18,634,779</u>	<u>34,605,472</u>	<u>53,240,251</u>
Total Funding Sources	<u>\$28,749,190</u>	<u>\$56,596,149</u>	<u>\$94,227,030</u>	<u>\$88,868,772</u>	<u>\$74,115,993</u>	<u>\$80,078,242</u>	<u>\$422,635,376</u>

[1] Derived from Table 8 at the end of this report.

Honorable Mayor and
Members of the City Council
City of Sunrise
July 9, 2009
Page 6

As can be seen above, the City has identified the need to construct approximately \$423 Million of capital improvements. The projection of capital costs was derived from the recently completed Master Plan. Based on discussions with staff and the City's Consulting Engineer, growth related projects identified in the Master Plan were deferred beyond the Forecast Period as a result of the decline in anticipated customer growth due to the economic downturn currently affecting the System. In addition, the capital costs as identified in the Master Plan unadjusted for effects of inflation were increased by an annually compounding factor of 3.0%.

In order to minimize the financial impact to existing customers, an optimized financing plan was developed to balance the use of cash on hand with the issuance of new debt. Approximately 34% of the CIP is funded from rate revenues and anticipated cash balances (including impact fees), while 66% is funded from the issuance of additional indebtedness. The use of additional indebtedness was maximized to reduce the use of rate revenues in CIP funding, which reduces the immediate impact on customer utility bills. The following section provides a discussion of the outstanding indebtedness of the System and financing assumptions concerning additional indebtedness associated with the funding of the CIP.

Debt Service

As of October 1, 2008, the System had approximately \$193 million in outstanding debt issued in accordance with the provisions of the Bond Ordinance which is pledged for repayment from System revenues (the "Outstanding Bond"). The following is a summary of the Outstanding Bonds:

	Principal Outstanding as of October 1, 2008
Outstanding Bonds: [1]	
Series 1993 Capital Appreciation Bonds [2]	\$17,705,144
Series 1996 Bonds	10,288,517
Series 1996A Capital Appreciation Bonds [2]	4,344,524
Series 1998 and 1998A Bonds	<u>160,720,492</u>
Total Outstanding Bonds	<u>\$193,058,677</u>

[1] Amounts represent the allocable principal outstanding to the water and wastewater system and do not include principal amounts outstanding to be paid from the Gas System revenues. Based on information provided by City staff, approximately 97% of Outstanding Bonds were allocable to the Water and Wastewater Utility.

[2] Reflects principal and accreted interest on the Series 1993 and 1996A Capital Appreciations Bonds that are considered a liability of the System.

The annual debt service requirements for the Outstanding Bonds were based on the actual debt service schedules for each issue and are presented on a "gross" basis (i.e., not net of interest earnings on any debt service related funds or amounts). Furthermore, the amounts shown are based on the monthly funding requirements of the various sinking funds as required by the Bond Ordinance which authorized the bonds (essentially an accrual basis) as opposed to when the debt service requirements are actually paid. The annual debt service requirements are represented on an accrual basis (required to be funded from rates as opposed to when paid to the investors) for each fiscal year of the forecast period. The annual debt service requirements on the Outstanding Bonds allocable to the System approximates \$16.3 million annually and represents essentially level payments during the Forecast Period.

As previously mentioned regarding the discussion of the Capital Improvement Program section, in order to fund the identified capital projects of the System, four (4) additional series of bonds were recognized on parity with the Outstanding Bonds. The following table provides a summary of the primary debt issuance assumptions:

Assumptions	Proposed Bond Issuance			
	Series 2010	Series 2011	Series 2012	Series 2013
Proceeds (Deposit to Capital Fund)	\$92,173,346	\$61,181,234	\$75,553,073	\$78,154,471
Principal Amount of Bonds	\$102,720,000	\$70,945,000	\$87,140,000	\$89,730,000
Average Annual Interest Rate	6.00%	6.00%	6.00%	6.00%
Term-Years	30	30	30	30
Interest Only Payments (Years) [1]	0	16	15	14
Date of Issue	January 1, 2010	January 1, 2011	January 1, 2012	January 1, 2013
Issuance Expense	\$3,081,600	\$2,128,350	\$2,614,200	\$2,691,900
Debt Service Reserve Deposit [2]	\$7,462,496	\$7,632,611	\$8,972,175	\$8,878,976
Debt Service Payments [3]	\$7,462,496	\$7,632,611	\$8,972,175	\$8,878,976
Interest Only Payments [1]	N/A	\$4,256,700	\$5,228,400	\$5,383,800

[1] Interest only payments were recognized in order to wrap proposed debt payments around a reduction in existing debt payments during the Fiscal Year 2027. Reference Table 10 at the end of this report.

[2] A debt service reserve was assumed and anticipated to be cash funded from the proceeds of each series of additional bonds.

[3] Represents the level principal and interest debt service payment.

As shown above and with exception of the initial Series 2010 Bonds, all subsequent additional parity bond issues assume interest only payments for several years in order to "wrap" the debt payments with the existing debt service payments and result in lower debt service payments through the Forecast Period. Table 10 at the end of this report provides greater detail concerning the assumed annual debt service repayment schedules.

Transfer to Renewal and Replacement (R&R) Fund

The Bond Ordinance which authorized the issuance of the Outstanding Bonds established and requires annual funding of the R&R Fund. The purpose of the R&R Fund is to provide a funding mechanism to pay for capital expenditures for the betterment, renewal, and replacement of the System's assets and infrastructure. The required deposit to the R&R Fund, is the greater of i) "an amount not less than...the Budget of the issuer adopted for such fiscal year.."; or "...five percent (5%) of the annually budgeted Operating Revenues of the System for such Fiscal Year..."

PRMG considers the making of annual deposits to the R&R Fund as a prudent funding requirement from rates and should be funded annually (regardless of whether such monies are expensed in a particular fiscal year). Additionally, our experience has indicated that the Bond Ordinance R&R Fund requirement is a minimum deposit level and that such deposits should be increased to provide a greater amount of funds to finance the cost of replacing, repairing, and upgrading utility plant that has been in service and reaching its useful service life. For the determination of the revenue requirements identified in this report, it was assumed that the annual transfers to the R&R Fund expressed as a percent of current year budgeted revenues, should be increased over time. Specifically, the financial forecast assumes a dedicated R&R Fund transfer increasing from 5.0% (fiscal year 2009 deposit percent) to 10.0% (fiscal year 2014 deposit percent). Some additional transfers from Fund 401 were recognized above the minimum and recommended dedicated R&R funding to meet capital funding needs. This increase in funding of the R&R Fund will promote the long-term financial health of the System and limit the amount of additional debt that may be required beyond the Forecast Period. A summary of the total transfers to the R&R Fund is shown on Table 9 at the end of this report. The projected R&R Fund activity and ending fund balance is shown below:

Projected R&R Fund Cash Balances [1]						
Description	Fiscal Year Ending September 30,					
	2009	2010	2011	2012	2013	2014
Fund 402 - Renewal and Replacement						
Beginning Balance	\$4,261,775	\$398,436	\$39,467	\$1,485,147	\$3,278,640	\$481,378
Transfers In – Operations	3,278,826	12,238,662	11,115,107	11,829,136	12,538,100	10,329,013
Transfers In – Fund 401	6,620,000	1,920,000	1,748,500	1,748,500	1,748,500	1,748,500
Transfers Out – Projects during Forecast Period	<u>13,762,165</u>	<u>14,517,631</u>	<u>11,417,927</u>	<u>11,784,143</u>	<u>17,083,862</u>	<u>12,115,913</u>
Ending Balance	<u>\$398,436</u>	<u>\$39,467</u>	<u>\$1,485,147</u>	<u>\$3,278,640</u>	<u>\$481,378</u>	<u>\$442,978</u>

[1] Amounts shown derived from Table 13.

As can be seen above transfers to the R&R Fund were made from Fund 401, such transfers were necessary to ensure funding for capital projects identified within the CIP. Transfers from Fund 401 to the R&R Fund are anticipated to recur on an annual basis to account for cash flows generated from the City's financial policy of budgeted debt service coverage (a rate covenant

defined in the Bond Resolution), which shall be discussed in greater detail within the following section.

Other Revenue Requirements

Based on the financial and budgetary policies of the City, the City recognizes as a revenue requirement the ability of System revenues (rates) to meet the debt service coverage component of the rate covenant as defined in the Bond Ordinance. Although this is not a cash expenditure of the System, the debt coverage allowance must be met if the System is to be in compliance with the rate covenant. The minimum debt service coverage factor reflected in the rate covenant is 10% of the annual debt service payment. With respect to the debt coverage allowance, we have recognized this as being available for the funding of renewals and replacements and working capital in terms of the flow of funds. A projection of the annual debt service payments and coverage allowance is shown on Table 1 at the end of this report. A detailed calculation of annual debt service coverage is shown on Table 3 at the end of this report.

WATER AND WASTEWATER RATE ADJUSTMENTS

Table 1 of this report summarizes the derivation of the proposed water and wastewater rate adjustments. Based on our analysis and the assumptions previously described herein, the following System rate adjustments were identified:

Projected Net Revenue Requirements and Identified Rate Adjustments [1]						
Description	Projected Fiscal Year Ending September 30,					
	2009	2010	2011	2012	2013	2014
Projected Rate Indexing	N/A	2.80%	2.80%	2.80%	2.80%	2.80%
Revenue From Existing Rates (w/ Indexing)	\$57,786,656	\$59,467,274	\$61,169,220	\$62,962,554	\$64,798,226	\$66,720,340
Net Revenue Requirements	61,639,100	83,254,174	91,631,398	100,920,210	111,132,796	114,429,440
Revenue Surplus/ (Deficiency) Under Existing Rates:						
Amount	(\$3,852,444)	(\$23,786,900)	(\$30,462,178)	(\$37,957,656)	(\$46,334,570)	(\$47,709,100)
Percent of Rate Revenue	<u>(6.67%)</u>	<u>(40.00%)</u>	<u>(49.80%)</u>	<u>(60.29%)</u>	<u>(71.51%)</u>	<u>(71.51%)</u>
IDENTIFIED RATE ADJUSTMENTS						
Effective Adjustment						
Identified Rate Adjustment	40.00%	0.00%	7.00%	7.00%	7.00%	0.00%
Months Rate and Index Adjustment in Effect [2]	2	12	12	12	12	12
Additional Revenue from Rate Adjustment:						
Current Year Rate / Index Adjustment	3,852,444	0	5,994,577	6,602,257	7,270,370	0
Prior Year Rate Adjustment	<u>0</u>	<u>23,786,900</u>	<u>24,467,600</u>	<u>31,355,400</u>	<u>39,064,200</u>	<u>47,709,100</u>
Additional Revenue from Rate Adjustments	<u>\$3,852,444</u>	<u>\$23,786,900</u>	<u>\$30,462,178</u>	<u>\$37,957,656</u>	<u>\$46,334,570</u>	<u>\$47,709,100</u>
Revenue Surplus / (Deficiency) After Rate Adj.	\$0	\$0	\$0	\$0	\$0	\$0
As Percent of Existing Rate Revenue	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

[1] Derived from Table 1 at the end of this report.

[2] Represents the number of effective months in which an identified rate adjustment is assumed to be implemented (e.g., 2 effective months reflects an implementation date for the rate adjustment of August 1).

Honorable Mayor and
Members of the City Council
City of Sunrise
July 9, 2009
Page 10

As indicated above, it is recommended that the identified rate adjustment for the current Fiscal Year 2009 be implemented as soon as possible to recover the anticipated cost of providing service. While additional rate adjustments have been identified within subsequent years of the Forecast Period primarily for the purpose of funding the majority of the capital program from the issuance of additional parity Bonds, it is not recommended that the City take any action to adopt future rate adjustments at this time. Rather, it is recommended that the City reevaluate the identified Fiscal Year 2011 through 2013 rate adjustments in the near future to see if the economy rebounds and the capital costs and debt issuance needs are better known. Based on our analysis and the assumptions contained herein, the estimated revenues generated from the identified rate adjustments are anticipated to i) sufficiently fund the revenue requirements of the System; ii) meet compliance requirements of the Bond Ordinance; and iii) continue to promote the financial health and creditworthiness of the Utility.

Bond Compliance

As previously discussed, in order to maintain compliance with the Bond Ordinance 696-X-95-B, the System must meet identified rate covenant requirements. According to the rate covenant requirements the System's gross operating revenues must be sufficient at all times to i) fund 100% of annual operating expenses; ii) fund all senior lien parity annual debt service payments at 110% of Net Revenues or 120% of Net Revenues and Available Connection Fees; iii) make any necessary transfers to ensure the Reserve Account Requirement is met; and iv) fund a minimum annual transfer to the R&R Fund. Since no Available Connection Fees were assumed to be deposited to the Debt Service Account during the Forecast Period to fund annual debt service payments, no rate covenant analysis was evaluated for the test which includes Net Revenues and Available Connection Fees. A summary of projected rate covenant requirements from Net Revenues of the Bond Ordinance is shown below:

(Remainder of page intentionally left blank)

Description	Projected Rate Covenant Requirement [1]					
	Projected Fiscal Year Ending September 30,					
	2009	2010	2011	2012	2013	2014
System Revenues:						
Water and Wastewater Rate Revenue	\$61,639,100	\$83,254,174	\$91,631,398	\$100,920,211	\$111,132,796	\$114,429,440
Other Operating Revenue	1,911,097	1,752,686	1,789,743	1,887,483	1,992,455	2,135,024
Unrestricted Interest Income	<u>271,900</u>	<u>281,900</u>	<u>503,300</u>	<u>720,200</u>	<u>1,052,300</u>	<u>1,160,400</u>
Total	\$63,822,097	\$85,288,760	\$93,924,441	\$103,527,893	\$114,177,551	\$117,724,865
A.) 1.0 x Operating Expenses:	\$42,559,990	\$48,914,193	\$53,086,200	\$56,419,516	\$60,570,633	\$64,855,239
B.) 1.1 x Annual Debt Service (Senior Lien)	\$17,983,281	\$24,135,905	\$29,723,134	\$35,279,241	\$41,068,819	\$42,540,612
C.) Required Reserve Account Transfers	\$0	\$0	\$0	\$0	\$0	\$0
D.) Required R&R Transfers	<u>\$3,191,105</u>	<u>\$4,264,438</u>	<u>\$4,696,222</u>	<u>\$5,176,395</u>	<u>\$5,708,878</u>	<u>\$5,886,243</u>
Total Coverage Requirements (A+B+C+D)	<u>\$63,734,376</u>	<u>\$77,314,536</u>	<u>\$87,505,556</u>	<u>\$96,875,152</u>	<u>\$107,348,330</u>	<u>\$113,282,094</u>
System Revenues less Coverage Requirements	\$87,721	\$7,974,224	\$6,418,885	\$6,652,741	\$6,829,222	\$4,442,770
Coverage Requirements Met (Yes / No)	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>

[1] Amounts shown derived from Table 2 at the end of this report.

As can be seen above, assuming the identified rate adjustments and other assumptions as discussed throughout this report, the System is anticipated to meet the projected Bond Ordinance rate covenant requirements. As previously mentioned, the proposed debt funding of the capital program assumes the issuance of four (4) additional parity bonds. As a requirement to issue additional indebtedness on parity with the outstanding bonds of the System, the Bond Ordinance also requires the System meet an Additional Bonds Test. This test is an evaluation of the financial operating results of the immediately preceding Fiscal Year, which requires net revenues to be sufficient to meet at least 115% of the maximum annual debt service payments of all parity debt service schedules including the debt service from the proposed bond issue. Each proposed bond issue must be reevaluated and meet the Additional Bonds Test in order for the City to issue the bonds. As summarized in Table 3 at the end of this report, based on the assumptions identified in this report and the implementation of the recommended rate adjustments, the System is projected to meet the Additional Bonds Test requirements as shown below:

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Projected Additional Bonds Test				
Description	Add Bonds Test 1	Add Bonds Test 2	Add Bonds Test 3	Add Bonds Test 4
Proposed Bond Issuance	Series 2010	Series 2011	Series 2012	Series 2013
Preceding Test Year of Financial Operating Results	2009	2010	2011	2012
System Revenues:				
Existing Rate Revenues [1]	\$57,786,656	\$83,254,174	\$91,631,398	\$100,920,211
Revenues from Anticipated Rate Adjustments [2]	23,114,663	0	5,994,577	6,602,257
Other Operating Revenue	1,911,097	1,752,686	1,789,743	1,887,483
Unrestricted Interest Income	<u>271,900</u>	<u>281,900</u>	<u>503,300</u>	<u>720,200</u>
Total System Revenues Applicable for Coverage Calculation	\$83,084,316	\$85,288,760	\$99,919,018	\$110,130,150
Operating Expenses	<u>\$42,559,990</u>	<u>\$48,914,193</u>	<u>\$53,086,200</u>	<u>\$56,419,516</u>
Net Revenues	\$40,524,326	\$36,374,566	\$46,832,818	\$53,710,634
Maximum Bond Debt Requirement [3]	\$23,894,037	\$28,150,737	\$33,297,440	\$38,677,640
Debt Coverage				
Calculated	170%	129%	141%	139%
Required Minimum	<u>115%</u>	<u>115%</u>	<u>115%</u>	<u>115%</u>

- [1] Existing Rate Revenues recognize i) the projection of revenues under the currently adopted rates as of October 1, 2008; ii) any assumed inflationary indexing as identified during the Financial Forecast; and iii) any identified rate adjustments during the Financial Forecast Period.
- [2] Based on provisions of the Bond Ordinance, an upward adjustment to revenues is allowed for identified rate adjustments adopted by the City made during the calculation year. The additional revenue from such rate adjustments are assumed on an annual basis (e.g., revenue from a partial year rate adjustment is adjusted to reflect the addition of uncollected amounts anticipated had the rate adjustment been implemented at the outset of the respective fiscal year).
- [3] Per the City's Bond Ordinance, the Maximum Bond Debt Requirement is defined to mean "...the largest Bond Service Requirement for any remaining Fiscal Year except with respect to any Term Bonds for which Amortization Installments have been established."

Customer Bill Impact

Because our evaluation represents only a revenue sufficiency analysis, PRMG further recommends that the proposed rates be applied uniformly to all of the rate structure components for all classes of customers. Based on this rate application approach, the current rate structure will remain in effect and all customers will generally receive the same percentage rate adjustment. The net effect of the proposed rate adjustment for the average single-family residential customer inside City using the class average of 7,000 gallons per month is shown below:

Single-Family Residential Service Assuming 7,000 Gallons of Utility Service			
	Water	Wastewater	Total
City (Inside City Rates)			
Current Rates	\$24.32	\$28.85	\$53.17
Proposed Rates (FY 2008)	<u>34.05</u>	<u>40.39</u>	<u>74.44</u>
Difference - Amount	\$9.73	\$11.54	\$21.27
Difference - Percent	<u>40%</u>	<u>40%</u>	<u>40%</u>

RECOMMENDATIONS AND CONCLUSIONS

Based on the analysis and assumptions and the results of our studies, PRMG offers the following observations, conclusions, and recommendations:

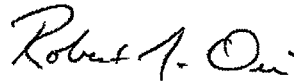
1. The City has identified capital requirements of approximately \$423 million during the Forecast Period. In addition, it is anticipated that operating expenses will increase on average by approximately 8.8% per year. Compounding these pressures placed on rate revenues is a forecast of marginal customer growth. As a result of these funding requirements and based on the assumptions as discussed throughout this report, the existing rates for water and wastewater service are not projected to be sufficient to meet the financial needs of the Utility.
2. The City should adopt the proposed Fiscal Year 2009 water and wastewater rate adjustment of 40.0% as presented in this report. It is recommended that the City defer the identified rate adjustments for the fiscal years 2011 through 2013 pending a reevaluation of the City's financial position and needs in the future.
3. The proposed rate adjustment should be applied uniformly to all rate structure components and should be made effective as soon as possible with an assumed implementation of August 1, 2009.
4. The City should evaluate the Financial Forecast on a recurring basis since changes to customer statistics, operating and capital costs, and other significant factors can materially affect the accuracy of projected operations. It is recommended that the City perform a detailed evaluation of the Financial Forecast within a minimum of two (2) years (prefer annual evaluations) to ensure that projected operating results and financial targets are being met.

Honorable Mayor and
Members of the City Council
City of Sunrise
July 9, 2009
Page 14


We appreciate the opportunity to provide consulting services to the City, and would like to thank the City staff for their assistance during the course of our analyses.

Very truly yours,

Public Resources Management Group, Inc.



Robert J. Ori
President



Thierry A. Boveri
Senior Rate Analyst

Attachments

CITY OF SUNRISE, FLORIDA
WATER AND WASTEWATER SYSTEM REVENUE SUFFICIENCY ANALYSIS
LIST OF TABLES

Table No.	Title
1	Combined System Revenue Requirements
2	Projected Debt Service Coverage Analysis
3	Projected Additional Bonds Test
4	Fiscal Year 2009 Adjusted Operating Expense Budget
5	Projection of Operation and Maintenance Expenses
6	Projected Escalation Factors
7	Detailed Capital Improvement Project (CIP) Listing and Funding
8	Summary of Projected CIP Funding and Projects by Category
9	Projection of Renewal and Replacement Fund Transfers
10	Summary of Existing and Proposed Annual Debt Service Schedules
11	Historical and Projected Customer Statistics
12	Summary of Projected Revenues
13	Analysis of Cash and Investments and Development of Interest Income

Table 1

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Combined System Revenue Requirements

Line No.	Description	Projected Fiscal Year Ending September 30,					
		2009	2010	2011	2012	2013	2014
1	Combined Systems Operating Expenses [1]	\$42,559,990	\$48,914,193	\$53,086,200	\$56,419,516	\$60,570,633	\$64,855,239
	Other Revenue Requirements:						
2	Existing Debt Service	\$16,348,437	\$16,344,859	\$16,366,010	\$16,431,541	\$16,349,844	\$16,341,887
3	Proposed Debt Service	0	5,596,872	10,655,021	15,640,496	20,985,446	22,331,396
4	Water and Wastewater Coverage [2]	1,634,844	2,194,173	2,702,103	3,207,204	3,733,529	3,867,328
5	Transfer to Renewal & Replacement Fund	3,278,826	12,238,662	11,115,107	11,829,136	12,538,100	10,329,013
6	Total Other Revenue Requirements	\$21,262,107	\$36,374,567	\$40,838,241	\$47,108,377	\$53,606,919	\$52,869,625
7	Gross Revenue Requirements	\$63,822,097	\$85,288,760	\$93,924,441	\$103,527,893	\$114,177,552	\$117,724,864
	Less Income and Funds from Other Sources:						
8	Other Revenues	\$1,911,097	\$1,752,686	\$1,789,743	\$1,887,483	\$1,992,455	\$2,135,024
9	Interest Income	271,900	281,900	503,300	720,200	1,052,300	1,160,400
10	Net Revenue Requirements	\$61,639,100	\$83,254,174	\$91,631,398	\$100,920,210	\$111,132,796	\$114,429,440
11	Assumed Rate Indexing	N/A	2.80%	2.80%	2.80%	2.80%	2.80%
12	Revenue From Existing Water and Wastewater Rates:	\$ 57,786,656	\$ 59,467,274	\$ 61,169,220	\$ 62,962,554	\$ 64,798,226	\$ 66,720,340
	Revenue Surplus/(Deficiency) Under Existing Rates:						
13	Amount	\$ (3,852,444)	(\$23,786,900)	(\$30,462,178)	(\$37,957,656)	(\$46,334,570)	(\$47,709,100)
14	Percent of Rate Revenue	(6.67%)	(40.00%)	(49.80%)	(60.29%)	(71.51%)	(71.51%)
	RATE RECOMMENDATIONS:						
	Effective Increase						
15	Rate Adjustments	40.00%	0.00%	7.00%	7.00%	7.00%	0.00%
16	Months Rate Increase in Effect	2	12	12	12	12	12
	Revenue From Water and Wastewater Rates:						
17	Current Year Rate / Index Adjustment	3,852,444	0	5,994,577	6,602,257	7,270,370	0
18	Prior Year Rate Adjustment	0	23,786,900	24,467,600	31,355,400	39,064,200	47,709,100
19	Adjusted Water and Wastewater Rate Revenue	\$ 61,639,100	\$ 83,254,174	\$ 91,631,398	\$ 100,920,211	\$ 111,132,796	\$ 114,429,440
20	Revenue Surplus Deficiency Under Proposed Rate Adj.	\$0	\$0	\$0	\$0	\$0	\$0
21	As Percent of Existing Revenue	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Footnotes:

- [1] Operating Expenses based on the Fiscal Year 2009 proposed budget and does not include any depreciation or amortization.
- [2] The City maintains a policy of budgeting a minimum debt service coverage requirement equivalent to 10% of annual debt service payments. Cash flows recognized in order to meet the budgeted coverage requirement do not represent a cash outflow. Cash flows derived from the budgeted coverage were recognized in order to fund additional transfers to the Renewal and Replacement Fund and the Operating Fund for purposes of funding the identified capital improvements of the System. Such transfers are shown in greater detail within Table 13 and as summarized below:

Budgeted Coverage	\$1,634,844	\$2,194,173	\$2,702,103	\$3,207,204	\$3,733,529	\$3,867,328
Transferred to the R&R Fund	\$1,634,844	\$1,920,000	\$1,748,500	\$1,748,500	\$1,748,500	\$1,748,500
Transferred to the Operating Fund	\$0	\$274,173	\$953,603	\$1,458,704	\$1,985,029	\$2,118,828

Table 3

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Projected Additional Bonds Test [1]

Line No.	Decryption	Add Bonds Test 1	Add Bonds Test 2	Add Bonds Test 3	Add Bonds Test 4
1	Adds Bond Test For Respective Debt Issue	Series 2010	Series 2011	Series 2012	Series 2013
2	Recognized Test Year [2]	2009	2010	2011	2012
3	System Revenues:				
4	Existing Rate Revenues [3]	\$57,786,656	\$83,254,174	\$91,631,398	\$100,920,211
5	Revenues from Anticipated Rate Adjustments [4]	23,114,663	0	5,994,577	6,602,257
6	Other Operating Revenue	1,911,097	1,752,686	1,789,743	1,887,483
7	Unrestricted Interest Income	271,900	281,900	503,300	720,200
8	Total System Revenues Applicable for Coverage Calculation	\$83,084,316	\$85,288,760	\$99,919,018	\$110,130,150
9	Operating Expenses	\$42,559,990	\$48,914,193	\$53,086,200	\$56,419,516
10	Net Revenues	\$40,524,326	\$36,374,566	\$46,832,818	\$53,710,634
11	Maximum Bond Debt Requirement [5]	\$	\$	\$	\$
12	Debt Coverage				
13	Calculated	170%	129%	141%	139%
14	Required Minimum	115%	115%	115%	115%

Footnotes:

- [1] Per the City's authorizing Bond Ordinance allowing for the issuance of additional parity indebtedness a provision of the ordinance identifies that during the most recent full Fiscal Year (the "Test Year") preceding the issuance of the proposed Parity Bonds, as certified by the Certified Public Accountant, the Net Revenues, after adjustments, must be at least equal to one hundred and fifteen percent (115%) of the Maximum Bond Debt Requirement on the Bonds which will be outstanding immediately after the issuance of such Parity Bonds (collectively the "Additional Bonds Test").
- [2] For purposes of this analysis and to provide an estimate to the City of whether it may be possible to issue additional parity indebtedness in accordance with the provisions of the Bond Ordinance and in recognition of the financing assumptions as identified within the financial forecast, the assumed Test Year recognized for the Additional Bonds Test was based on the projected operating results of the most recently completed Fiscal Year preceding the anticipated issuance of the proposed parity indebtedness.
- [3] For purposes of calculating the Additional Bonds Test, Existing Rate Revenues shall recognize i) the projection of revenues under the currently approved and adopted rates as of October 1, 2008 reflecting rates in effect during the beginning or outset of the Fiscal Year 2009, ii) any assumed inflationary indexing as identified during the projection thereafter as applicable; and iii) any identified rate adjustments during the immediately preceding Fiscal Year as recognized within the financial forecast.
- [4] Recognizing the provisions from the Bond Ordinance (Article XI Section 11.01 Subsection iii - A) revenues shown for the purpose of calculating the Additional bonds Test reflect the anticipated twelve (12) months of additional rate revenues generated from the rate adjustments as identified within the financial forecast for the respective Test Year.
- [5] Per the City's Bond Ordinance, the Maximum Bond Debt Requirement is defined to mean "...the largest Bond Service Requirement for any remaining Fiscal Year except with respect to any Term Bonds for which Amortization Installments have been established."

Table 4

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Fiscal Year 2009 Adjusted Operating Expense Budget [1]

Line No.	Description	Budget 2009	Adjustments	Adjusted 2009
<u>OPERATING EXPENSES:</u>				
Water and Wastewater:				
Personnel Services:				
1	Salaries	\$ 6,389,950	\$ -	\$ 6,389,950
2	Time and a Half Overtime	94,000	-	94,000
3	Straight-Time Overtime	81,000	-	81,000
4	Leave Pay-Out	125,000	-	125,000
5	Auto Allowance	2,400	-	2,400
6	SS and Medicare Matching	502,403	-	502,403
7	Pension-General	1,188,943	-	1,188,943
8	Health Insurance	933,313	-	933,313
9	Disability Insurance	1,857	-	1,857
10	Life & Accident, Death, Dis.	26,858	-	26,858
11	Workers Compensation	294,831	-	294,831
12	Total Personnel Services	\$ 9,640,555	\$ -	\$ 9,640,555
Operating Expenses:				
13	Legal Fees	\$ 325,000	\$ -	\$ 325,000
14	Other Legal Expenses	15,000	-	15,000
15	Professional Services [2]	225,300	(50,000)	175,300
16	Professional Services - Mechanical Integrity Tests [2]	-	50,000	50,000
17	Engineering	167,679	-	167,679
18	Engineering Fee - Permits	95,000	-	95,000
19	Auditing - Annual	64,180	-	64,180
20	Banking Services	5,000	-	5,000
21	Temporary Services	5,500	-	5,500
22	Trustee Fees	5,500	-	5,500
23	Misc. Contractual Services	736,932	-	736,932
24	Outside Lab Service	136,500	-	136,500
25	Sludge Removal-Wastewater	2,287,512	-	2,287,512
26	Sludge Removal - Water	289,700	-	289,700
27	Painting	30,000	-	30,000
28	Retiree Health Insurance / POB	72,591	-	72,591
29	Travel Per Diem	7,000	-	7,000
30	Local Mileage	100	-	100
31	Telephone	138,320	-	138,320
32	Postage	10,800	-	10,800
33	Electricity	6,254,686	-	6,254,686
34	Stormwater	17,121	-	17,121
35	Equipment-Rental	7,600	-	7,600
36	Rental-Other	3,000	-	3,000
37	Liability Insurance	231,609	-	231,609

Table 4

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Fiscal Year 2009 Adjusted Operating Expense Budget [1]

Line No.	Description	Budget 2009	Adjustments	Adjusted 2009
38	Property Insurance	1,088,029	-	1,088,029
39	Bond Insurance	773	-	773
40	Flood Insurance	56,517	-	56,517
41	Boiler and Machinery Insurance	20,223	-	20,223
42	Liability Underground Storage Insurance	7,478	-	7,478
43	Maint Auto Equipment	256,000	-	256,000
44	Maint Office Equipment	2,500	-	2,500
45	Maint Communication Equip	22,000	-	22,000
46	Maint Computer Equipment	600	-	600
47	Maint Landscaping	5,000	-	5,000
48	Maint Other Equipment	90,000	-	90,000
49	Maint Buildings	67,000	-	67,000
50	Maint Wastewater Plant	346,352	-	346,352
51	Maint Water Plant	324,766	-	324,766
52	Maintenance Wells	138,040	-	138,040
53	Maint Water & Wastewater Mains	222,000	-	222,000
54	Maint Water & Wastewater Pump Equip	58,000	-	58,000
55	Maint Lift Stations	104,250	-	104,250
56	Maintain Hydrant / Valves	57,000	-	57,000
57	Maint Elec Panel Control Systems	43,250	-	43,250
58	Printing and Binding	14,400	-	14,400
59	Photocopying Costs	13,500	-	13,500
60	Permits & Licenses	53,750	-	53,750
61	Indian Trace Cost Reimburse	3,363,715	-	3,363,715
62	Credit Card Transaction Costs [3]	-	175,000	175,000
63	Sewer Service / Plantation	100,000	-	100,000
64	Water Conservation / Education Program	150,000	-	150,000
65	DOCA (General Fund Transfer)	3,907,909	-	3,907,909
66	Bad Debt Expense [4]	100,000	1,127	101,127
67	Office Supplies	16,000	-	16,000
68	Gas & Oil	585,850	-	585,850
69	Chemicals	2,969,490	-	2,969,490
70	Uniforms	65,000	-	65,000
71	Non-Capital Equipment	53,600	-	53,600
72	Laboratory	75,500	-	75,500
73	Custodial Supplies	13,000	-	13,000
74	Safety Equipment	36,695	-	36,695
75	Other Supplies & Expenses	48,130	-	48,130
76	Purchase Inventory	5,000	-	5,000
77	Subs & Memberships	12,150	-	12,150
78	Tuition & Training	28,950	-	28,950
79	Contingency [5]	435,411	(45,233)	390,178
80	Total Water and Wastewater Operating Expenses	\$ 26,089,458	\$ 130,894	\$ 26,220,352

Table 4

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Fiscal Year 2009 Adjusted Operating Expense Budget [1]

Line No.	Description	Budget 2009	Adjustments	Adjusted 2009
Public Service Department (Billing Dept.)				
Personnel Services:				
81	Salaries	\$ 1,905,004	\$ -	\$ 1,905,004
82	Time and a Half Overtime	3,000	-	3,000
83	Straight-Time Overtime	15,000	-	15,000
84	Leave Pay-Out	100	-	100
85	SS and Medicare Matching	147,110	-	147,110
86	Pension-General	367,113	-	367,113
87	Health Insurance	367,340	-	367,340
88	Disability Insurance	1,392	-	1,392
89	Life & Accident, Death, Dis.	7,136	-	7,136
90	Workers Compensation	21,789	-	21,789
91	Total Personnel Services	\$ 2,834,984	\$ -	\$ 2,834,984
Operating Expenses:				
92	Professional Services	\$ 3,000	\$ -	\$ 3,000
93	Banking Services	90,000	-	90,000
94	Temporary Services	100	-	100
95	Misc. Contractual Services	580,000	-	580,000
96	Retiree Health Insurance / POB	9,947	-	9,947
97	Travel Per Diem	2,350	-	2,350
98	Local Mileage	250	-	250
99	Telephone	19,500	-	19,500
100	Postage	280,000	-	280,000
101	Liability Insurance	22,655	-	22,655
102	Bond Insurance	186	-	186
103	Maint Auto Equipment	22,900	-	22,900
104	Maint Office Equipment	6,345	-	6,345
105	Maint Communication Equip	1,200	-	1,200
106	Maint Computer Equipment	5,550	-	5,550
107	Printing and Binding	6,200	-	6,200
108	Photocopying Costs	9,000	-	9,000
109	Office Supplies	13,450	-	13,450
110	Gas & Oil	24,200	-	24,200
111	Uniforms	1,800	-	1,800
112	Safety Equipment	100	-	100
113	Other Supplies & Expenses	39,500	-	39,500
114	Subscription & Membership	1,025	-	1,025
115	Tuition & Training	8,252	-	8,252
116	Contingency	-	43,807	43,807
117	Total Public Service Operating Expenses	\$ 1,147,510	\$ 43,807	\$ 1,191,317

Table 4

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Fiscal Year 2009 Adjusted Operating Expense Budget [1]

Line No.	Description	Budget 2009	Adjustments	Adjusted 2009
	Reclassified Capitalized Labor [6]			
118	Water System Labor	\$ -	\$ 1,355,161	\$ 1,355,161
119	Wastewater System Labor	-	1,317,621	1,317,621
120	Total Reclassified Capitalized Labor	\$ -	\$ 2,672,782	\$ 2,672,782
121	Total Water & Wastewater Department	<u>\$ 39,712,507</u>	<u>\$ 2,847,483</u>	<u>\$ 42,559,990</u>

Footnotes:

- [1] Amounts shown were based upon the Fiscal Year 2009 Operating Budget and adjusted as noted. Such operating expenses serve as the baseline in forecasted Operating Expenses.
- [2] For purposes of this analysis, mechanical integrity test expenses are shown separately from Professional Services expense.
- [3] Based on discussions with staff an adjustment was made to recognize approximately \$175,000 in anticipated operating expenses due to credit card processing expenses.
- [4] Bad debt expense was adjusted based on a calculated expense equivalent to 0.175% of rate revenues.
- [5] A contingency expense was calculated based upon a factor of 1.10% of adjusted operating expenses.
- [6] The City maintains a policy of capitalizing labor expenses related to construction of capital improvements. For purposes of this analysis an adjustment was recognized to include a portion of capitalized labor expenses as an operating expense within the Fiscal Year 2009 budget. No capitalized labor expenses were recognized within subsequent fiscal years of the Forecast Period.

Table 5

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Protection of Operation and Maintenance Expenses [1]

Line No.	Description	Projected Fiscal Year Ending September 30,					Annual Growth [2]
		2009	2010	2011	2012	2013	
1	Salaries and Wages, Including Benefits [3]	\$ 15,230,859	\$ 19,647,041	\$ 20,789,316	\$ 21,872,144	\$ 23,031,169	9.77%
2	Electricity [4]	6,254,686	6,893,481	8,060,862	8,654,690	9,483,863	11.14%
3	Chemicals [4]	2,969,490	3,416,486	4,133,258	4,556,284	5,212,128	15.25%
4	Administrative Services	3,907,909	4,044,686	4,186,250	4,332,769	4,484,415	3.50%
5	Indian Trace Cost Reimbursement	3,363,715	3,363,715	3,599,175	3,851,117	4,120,696	4.14%
6	Sludge Removal Expense	2,577,212	2,821,184	3,088,831	3,388,926	3,719,642	9.65%
7	Repairs and Maintenance	1,772,753	1,927,462	2,096,740	2,282,006	2,438,350	8.01%
8	Insurance	1,427,470	1,570,217	1,727,239	1,899,963	2,089,959	10.00%
9	Contractual Services	1,459,032	1,495,508	1,532,895	1,571,218	1,610,498	2.50%
10	Other Operating Expenses	1,266,370	1,302,349	1,339,306	1,377,584	1,416,983	2.85%
11	Professional Services	995,659	1,056,163	1,083,735	1,112,048	1,163,846	7.09%
12	Fuel and Lubricants	610,050	640,553	672,580	706,209	741,520	5.00%
13	Contingency Allowance	433,985	436,296	468,465	498,224	532,108	5.36%
14	Postage, Binding, and Printing	290,800	299,054	307,549	316,335	325,458	2.87%
15	Total Operating Expenses	\$ 42,559,990	\$ 48,914,193	\$ 53,086,200	\$ 56,419,516	\$ 60,570,633	8.79%

Footnotes:

- [1] Amounts shown were based upon the Fiscal Year 2009 operating budget as adjusted and derived from Table 4.
- [2] Represents the calculated compound annual growth based on the escalation of such costs using various escalation factors as identified in Table 6.
- [3] Amounts shown do not assume the addition of new employees. Increases in such costs are attributable to i) the addition of labor expenses, which were historically capitalized to projects; ii) increases in expenses associated with Other Post Employment Benefits (OPEB) and other benefit related expenses; and iii) assumed cost of living adjustments at 3.5% for inflation.
- [4] Electrical and chemical expenses recognize the addition of incremental operating expenses due to implementation of the capital improvement program. The summary below identifies the timing and costs associated with such expenses as provided by the Consulting Engineer:

	2009	2010	2011	2012	2013	2014
Electrical	\$ -	\$ 10,015	\$ 485,479	\$ 531,251	\$ 770,442	\$ 1,254,737
Chemical	-	-	202,527	223,255	434,412	769,456
Total	\$ -	\$ 10,015	\$ 688,006	\$ 754,506	\$ 1,204,854	\$ 2,024,193

Table 6

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Projected Escalation Factors

Line No.	Description	Escalation Reference	Projected Fiscal Year Ending September 30,			
			2010	2011	2012	2013
1	Constant	Constant	1.0000	1.0000	1.0000	1.0000
2	General Inflation	Inflation	1.0282	1.0282	1.0282	1.0282
3	Labor Escalator	Labor	1.0350	1.0350	1.0350	1.0350
4	Pension / POB	Pension	1.2000	1.2000	1.1000	1.1000
5	Professional Services	ProfSvc	1.0250	1.0250	1.0250	1.0250
6	Repair and Maintenance - Primary Plant	Repair	1.1000	1.1000	1.1000	1.0750
7	Repair and Maintenance - General	Repair - Gen	1.0400	1.0400	1.0400	1.0400
8	Gas & Oil	Fuel	1.0500	1.0500	1.0500	1.0500
9	General Insurance Escalator	Insurance	1.1000	1.1000	1.1000	1.1000
10	Property Insurance Escalator	PropIns	1.1000	1.1000	1.1000	1.1000
11	Marginal Escalator	Margin	1.0100	1.0100	1.0100	1.0100
12	Phase Eliminate	Phase Elimnt	0.5000	0.5000	0.7500	0.7500
13	Eliminate	Eliminate	0.0000	0.0000	0.0000	0.0000
14	Electric (Adjustment + Flow Growth)	Electric	1.1005	1.1005	1.0723	1.0730
15	Chemicals (Adjustment + Flow Growth)	Chemical	1.1505	1.1505	1.1023	1.1030
16	Sludge - Water (Adjustment + Flow Growth)	Sludge_W	1.0505	1.0505	1.0523	1.0530
17	Sludge - Wastewater (Adjustment + Flow Growth)	Sludge_S	1.1003	1.1002	1.1023	1.1025
18	Customer Acct. Growth + Inflation - Water	Cust-Water	1.0284	1.0284	1.0286	1.0288
19	Customer Acct. Growth + Inflation - Sewer	Cust-Sewer	1.0283	1.0283	1.0285	1.0288
20	Flow Growth + Inflation - Water	Water Flow	1.0287	1.0287	1.0305	1.0308
21	Flow Growth + Inflation - Sewer	Sewer Flow	1.0285	1.0284	1.0305	1.0307
22	Customer Account Growth - Water	Grth-Water	1.0002	1.0002	1.0004	1.0006
23	Customer Account Growth - Sewer	Grth-Sewer	1.0001	1.0001	1.0003	1.0006
24	Rate Indexing	Index	1.0280	1.0280	1.0280	1.0280
25	Water Rate Adjustments	WRates	1.0000	1.0700	1.0700	1.0700
26	Wastewater Rate Adjustments	SRates	1.0000	1.0700	1.0700	1.0700
27	Weighted Average Rate Adjustments	Rates	1.0000	1.0700	1.0700	1.0700
28	Rate Revenue - Water	Water Rev	1.0293	1.0288	1.0294	1.0293
29	Rate Revenue - Sewer	Sewer Rev	1.0289	1.0284	1.0293	1.0290

Table 7
City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis
Detailed Capital Improvement Project (CIP) Listing and Funding (1)

Line No.	Description	Project Type (Growth, Regulatory, R&R)	Funding Source	Projected Fiscal Year Ending September 30,							Forecast	
				2009	2010	2011	2012	2013	2014	Total	Beyond Forecast	
WATER SYSTEM												
Capitalized Labor:												
1	Funded from Fund 402	R&R	RR	\$952,319	\$0	\$0	\$0	\$0	\$0	\$952,319		
2	Funded from Fund 403	Growth	Connection	29,005	0	0	0	0	0	29,005		
3	Total Capitalized Labor			\$981,324	\$0	\$0	\$0	\$0	\$0	\$981,324		
Capital Projects												
Water Supply												
4	SWWTP Biscayne Well No. 5	Growth	Debt-4	0	0	0	0	1,043,347	1,074,647	2,117,994	0	0
5	SWWTP Biscayne Well No. 1 Replacement (New Well No. 6)	Growth	Debt-4	0	0	0	0	1,043,347	1,074,647	2,117,994	0	0
6	SWWTP Biscayne Raw Water Transmission Main	Growth	Debt-4	0	0	0	0	110,131	113,435	223,566	0	0
7	SWWTP Biscayne Well No. 2 Replacement (New Well No. 7)	Growth	N/A	0	0	0	0	0	0	0	1,475,849	61,494
8	SWWTP Biscayne Raw Water Transmission Main for Well No. 7	Growth	N/A	0	0	0	0	0	0	0	95,481	0
9	Sawgrass WTP Floridan Raw Water Transmission Main	Regulatory	RR	0	95,481	0	0	0	0	0	332,066	0
10	Sawgrass WTP Floridan aw Water Transmission Main for Well No. 2	Regulatory	N/A	0	0	0	0	0	0	0	2,780,897	0
11	Sawgrass Brackish RO Well No. 1	Regulatory	RR	1,369,900	1,410,997	0	0	0	0	2,780,897	0	0
12	Sawgrass Brackish RO Well No. 2	Regulatory	N/A	0	0	0	0	0	0	0	3,271,464	0
13	Park City WTP Brackish RO Well No.1 (P-12)	Growth	Connection	1,369,900	1,410,997	0	0	0	0	2,780,897	0	0
14	Park City WTP Floridan Raw Water Transmission Main for Well No. 1 (P-12)	Growth	Connection	0	0	0	0	0	298,513	298,513	0	0
15	Park City WTP Brackish RO Well No.2 (P-9)	Growth	Connection	1,369,900	1,410,997	0	0	0	0	2,780,897	0	0
16	Park City WTP Floridan Raw Water Transmission Main for Well No. 2 (P-9)	Growth	Debt-4	0	0	0	0	0	1,074,647	1,074,647	0	0
17	Park City WTP Brackish RO Well No.3 (P-10)	Growth	Connection	1,205,100	0	0	0	0	0	1,205,100	0	0
18	Park City WTP Brackish RO Well No.4 (P-11)	Growth	N/A	0	0	0	0	0	0	0	3,320,536	671,388
19	Park City WTP Floridan Raw Water Transmission Main for Well No. 4 (P-11)	Growth	N/A	0	0	0	0	0	0	0	3,420,153	926,389
20	Park City WTP Brackish RO Well No.5 (P-8)	Growth	N/A	0	0	0	0	0	0	0	3,271,464	1,082,289
21	Park City WTP Floridan Raw Water Transmission Main for Well No. 5 (P-8)	Growth	N/A	0	0	0	0	0	0	0	0	0
22	Park City WTP Brackish RO Well No.6 (P-13)	Growth	N/A	0	0	0	0	0	0	0	0	0
23	Park City WTP Floridan Raw Water Transmission Main for Well No. 6 (P-13)	Growth	N/A	0	0	0	0	0	0	0	0	0
Water Treatment System Total												
24	Sawgrass Concentrate Recovery Pilot	Regulatory	RR	515,000	0	0	0	0	0	515,000	0	0
25	Sawgrass Phase I Brackish RO 3.0 mgd WTP	Regulatory	Debt-1	0	3,055,392	3,147,054	0	0	0	6,202,446	0	0
26	SGF002 - Secondary Funding Source	Regulatory	Connection	0	2,036,928	2,098,036	0	0	0	4,134,964	0	0
27	Sawgrass Phase II Brackish RO 1.5 mgd WTP (4.5 mgd process capacity)	Growth	N/A	0	0	0	0	0	0	0	8,505,808	0
28	HSP and 5 MG Storage Tank - Closeout	Growth	RR	118,450	0	0	0	0	0	118,450	0	0
29	Springtree WTP 2.0 mgd ASR	Regulatory	Debt-2	0	0	295,036	0	0	0	295,036	0	0
30	Recharge Testing and Associated Water Use Permit Modification	Regulatory	Connection	927,000	0	0	0	0	0	927,000	0	0
31	Southwest 2 mgd Lime Softening WTP Expansion	Growth	Debt-3	0	0	0	12,467,261	12,841,279	13,225,323	38,533,863	0	0
32	Southwest 4 mgd WTP Expansion	Growth	N/A	0	0	0	0	0	0	0	5,952,590	0
33	SW Water Reclamation Demonstration Plant (1 mgd)	Regulatory	Debt-1	0	1,591,350	0	0	0	0	1,591,350	0	0
34	SWF004 - Secondary Funding Source	Regulatory	Debt-2	0	0	7,102,726	7,315,807	5,796,370	0	20,214,903	0	0
35	SWF004 - Tertiary Funding Source	Regulatory	Prior-Debt	515,000	0	0	0	0	0	515,000	0	0
36	SW Water Reclamation Expansion (1 mgd)	Regulatory	Debt-3	0	0	0	0	1,159,274	0	1,159,274	0	0
37	SWF005 - Secondary Funding Source	Regulatory	Debt-4	0	0	0	0	0	3,582,157	3,582,157	7,489,932	0
38	Park City Aquifer CMS and Performance Test	Regulatory	RR	0	106,090	437,091	0	0	0	543,181	0	0
39	Park City Treatment Plant Demolition	Regulatory	Debt-2	0	0	1,966,909	0	0	0	1,966,909	0	0
40	Park City Phase I Brackish RO 4.0 mgd WTP	Regulatory	Connection	0	0	3,715,272	0	0	0	3,715,272	0	0
41	PCF003 - Secondary Funding Source	Regulatory	N/A	0	0	0	0	0	0	0	45,933,828	6,542,929
42	Park City Phase II Brackish RO 2.0 mgd WTP (6.0 mgd process capacity)	Growth	N/A	0	0	0	0	0	0	0	0	0
43	Utility Rate Study	R&R	RR	103,000	0	0	0	115,927	0	218,927	0	0
Water Storage, Transmission and Distribution System												
44	Parallel line along I-75	R&R	Debt-2	0	0	1,398,691	0	0	0	1,398,691	0	0
45	SGTM08 - Secondary Funding Source	R&R	Debt-3	0	0	0	8,283,745	4,266,129	4,394,112	16,943,986	0	0
46	Pipe along Bonaventure Blvd/Griffin Rd and SW 172nd	R&R	Debt-3	0	0	0	540,244	3,199,596	1,647,792	5,387,632	1,697,226	0
47	South of SW WTP to Mavico	R&R	RR	16,480	195,206	0	0	0	0	211,686	0	0

Footnotes on Page 7 of 7.

Table 7

**City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis**

Detailed Capital Improvement Project (CIP) Listing and Funding [1]

Line No.	Description	Project Type	Funding Source	Projected Fiscal Year Ending September 30,							Forecast Total	Beyond Forecast
				2009	2010	2011	2012	2013	2014			
48	South of SW WTP to Mavico	(Growth, R&R	Prior-Debt	148,320	1,756,850	0	0	0	0	0	1,905,170	0
49	South of SW WTP to Mavico	R&R	Prior-Debt	41,200	488,014	0	0	0	0	0	529,214	0
50	Honda Dealership	R&R	RR	49,440	585,617	0	0	0	0	0	635,057	0
51	Pipe along Indian Trace	R&R	RR	0	84,872	0	0	0	0	0	84,872	0
52	SGTM07 - Secondary Funding Source	R&R	Debt-2	0	0	502,654	517,734	0	0	0	1,020,388	0
53	South of SW WTP	R&R	Debt-2	0	0	43,709	517,734	0	0	0	561,443	0
54	South of SW WTP to Mavico	R&R	RR	49,440	585,617	0	0	0	0	0	635,057	0
55	Spring Tree Southeast	R&R	Debt-2	0	0	349,673	2,070,936	2,133,064	0	0	4,553,673	0
56	Southwest area near Rick Case Honda	R&R	Debt-2	0	0	139,869	1,656,749	0	0	0	1,796,618	0
57	SWWTP Facility Transmission Main	R&R	Debt-3	0	0	0	900,407	0	0	0	900,407	0
58	Indian Trace Facility Transmission Main	R&R	Debt-3	0	0	0	900,407	0	0	0	900,407	0
59	Park City Facility Transmission Main	R&R	Debt-3	0	0	0	900,407	0	0	0	900,407	0
60	Park City High Service Pump	Growth	Debt-1	0	438,309	4,248,523	0	0	0	0	4,706,832	0
61	Park City High Service Pump	Growth	N/A	0	0	0	0	0	0	0	0	239,825
62	Indian Trace High Service Pumps	Growth	Connection	0	268,408	2,488,139	0	0	0	0	2,756,547	0
63	Booster Station	R&R	RR	0	0	0	0	293,296	2,718,857	0	3,012,153	0
64	Booster Station	Growth	N/A	0	0	0	0	0	0	0	0	239,825
65	SWWTP High Service Pumps	Growth	Debt-3	0	0	0	0	446,321	0	0	446,321	0
66	SWF04 - Secondary Funding Source	Growth	Debt-4	0	0	0	0	0	2,730,798	2,730,798	1,448,791	0
67	SWWTP High Service Pumps	Growth	N/A	0	0	0	0	0	0	0	0	239,825
68	Park City WTP Storage Tank	Growth	Connection	0	413,751	3,835,472	0	0	0	0	4,249,223	0
69	SWWTP Storage Tank	R&R	N/A	0	0	0	0	0	0	0	0	2,496,644
70	Water Supply / R&R	R&R	Debt-2	0	0	524,509	720,326	556,452	0	0	1,801,287	0
71	Rehabilitate Wells at Springtree WTP	R&R	RR	0	1,061	0	0	0	0	0	1,061	0
72	Water Treatment / R&R	R&R	RR	0	318,270	327,818	337,653	347,782	358,216	1,689,739	2,336,760	0
73	Sawgrass Membrane Replacement	R&R	N/A	0	0	0	0	0	0	0	0	748,993
74	SGRR02 - Secondary Funding Source	R&R	RR	0	0	10,927	0	0	0	0	10,927	0
75	Sawgrass - Improvements to Leak Detection System	R&R	RR	0	159,135	0	0	0	0	0	159,135	0
76	Sawgrass - Replacement of Degasser Media	R&R	RR	0	0	0	0	0	0	0	0	10,300
77	Sawgrass - Improvements to Transfer Pumps	R&R	Prior-Debt	10,300	0	0	0	0	0	0	10,300	0
78	Sawgrass - Decommission Ozone and LOX	R&R	Debt-1	0	0	0	281,377	0	0	0	281,377	0
79	Permit and Abandon Pad Monitor Wells	R&R	Debt-4	0	0	0	0	11,593	0	0	11,593	0
80	Sawgrass Control System Upgrade	R&R	Debt-1	0	530,450	546,364	0	0	0	0	1,076,814	0
81	Sawgrass Control System Validation	R&R	Debt-1	0	106,090	0	0	0	0	0	106,090	0
82	Sawgrass PLC Upgrade	R&R	RR	51,500	53,045	54,636	56,275	57,964	59,703	333,123	922,405	0
83	SGRR10 - Secondary Funding Source	R&R	N/A	0	0	0	0	0	0	0	0	61,494
84	Sawgrass Security Cameras	R&R	Debt-4	0	0	0	0	0	0	0	59,703	0
85	Sawgrass Security Lights	R&R	Debt-4	0	0	0	0	0	29,851	29,851	0	0
86	SW Control System Upgrade, Validation, PLC upgrade	R&R	Debt-1	0	0	0	281,377	0	0	0	281,377	0
87	SW Security Cameras	R&R	Debt-1	0	0	0	84,413	0	0	0	84,413	0
88	SW High Service Pump Improvements	R&R	Debt-1	0	795,675	819,545	0	0	0	0	1,615,220	0
89	SW Storage Tank Improvements	R&R	Debt-4	0	0	0	0	28,982	0	0	28,982	0
90	Springtree Aerator Installation	R&R	Debt-4	0	0	0	0	695,564	0	0	695,564	0
91	Springtree Softener Improvements	R&R	Debt-4	0	0	0	0	139,113	0	0	139,113	0
92	Springtree Slaking Process Improvements	R&R	Debt-4	0	0	0	0	579,637	0	0	579,637	0
93	Springtree Filter Improvements	R&R	Debt-4	0	0	0	0	347,782	0	0	347,782	0
94	Springtree Hand Rail Replacement	R&R	Debt-1	0	53,045	0	0	0	0	0	53,045	0
95	Springtree Chemical System Improvements	R&R	Debt-1	0	0	0	281,377	0	0	0	281,377	0
96	Springtree Residual Management Improvement	R&R	Debt-1	0	0	0	1,125,509	0	0	0	1,125,509	0
97	Improvements to Transfer Pumps	R&R	N/A	0	0	0	0	0	0	0	0	307,468
98	Springtree Control System Upgrade	R&R	Debt-1	0	530,450	546,364	0	0	0	0	1,076,814	0
99	Springtree Control System Validation	R&R	Debt-1	0	106,090	0	0	0	0	0	106,090	0
99	Springtree PLC Upgrade	R&R	N/A	0	0	0	0	0	0	0	0	1,352,861

Footnotes on Page 7 of 7.

Table 7
City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis
Detailed Capital Improvement Project (CIP) Listing and Funding III

Line No.	Description	Project Type	Funding Source	Projected Fiscal Year Ending September 30,							Forecast Total	Beyond Forecast
				2009	2010	2011	2012	2013	2014	2015		
100	Springtree Security Cameras	R&R	Debt-1	0	0	81,955	0	0	0	0	81,955	0
101	Springtree High Service Pump Improvements	R&R	N/A	0	0	0	0	0	0	0	0	307,468
102	Springtree Storage Tank Improvements	R&R	Debt-1	0	0	109,273	0	0	0	0	109,273	0
103	Springtree - Ozonation System Installation	R&R	N/A	0	0	0	0	0	0	0	0	307,468
	Water Storage, Transmission and Distribution System / R&R											
104	Park City Fire Flow Improvements	R&R	Debt-1	0	5,039,275	4,152,363	0	0	0	0	9,191,638	0
105	PCDM01 - Secondary Funding Source	R&R	Prior-Debt	978,500	0	0	0	0	0	0	978,500	0
106	Melaleuca Facility Decommission and Re-plumb	R&R	N/A	0	0	0	0	0	0	0	0	614,937
107	Asset Management and Database	R&R	RR	103,000	106,090	109,273	112,551	115,927	119,405	0	666,246	1,721,824
108	MFR001 - Secondary Funding Source	R&R	RR	257,500	0	0	0	0	0	0	257,500	0
109	IDSE - Hydraulic Network Calibration & Sampling	Regulatory	Prior-Debt	0	0	0	0	0	0	0	0	122,987
110	In-line Venturimeter Installation (five)	R&R	N/A	0	0	0	0	0	0	0	0	614,937
111	Transmission and Distribution Criticality Analysis	R&R	RR	128,750	132,613	0	0	0	0	0	261,363	0
112	Replacement of Substandard Distribution Lines	R&R	Debt-4	0	0	0	0	0	6,865,801	0	6,865,801	7,071,775
	City of Sunrise 5-Year CIP / R&R											
113	SCADA	City R&R	Debt-1	0	1,060,900	1,092,727	0	0	0	0	2,153,627	0
114	City CIP - Secondary Funding Source	City R&R	Prior-Debt	772,500	0	0	0	0	0	0	772,500	0
115	Digital Atlas Project	City R&R	RR	103,000	106,090	109,273	112,551	115,927	0	0	546,841	0
116	Springtree WTP Security Improvements	City R&R	Debt-1	0	318,270	327,818	0	0	0	0	646,088	0
117	City CIP - Secondary Funding Source	City R&R	Debt-3	0	0	0	337,653	347,782	358,216	0	1,043,651	0
118	Sawgrass WTP Security Improvements	City R&R	Debt-1	0	636,540	655,636	675,305	0	0	0	1,967,481	0
119	City CIP - Secondary Funding Source	City R&R	Debt-4	0	0	0	0	695,564	716,431	0	1,411,995	0
120	O&M Facility	City R&R	Debt-2	0	0	1,415,081	1,457,534	0	0	0	2,872,615	0
121	Sawgrass Equipment Maintenance Facility	Growth	Connection	0	0	2,576,650	2,653,950	0	0	0	5,230,600	0
122	Springtree Operations Building	City R&R	Debt-2	0	0	2,185,454	2,251,018	0	0	0	4,436,472	0
	Budget Departmental Capital											
123	General Capital	R&R	RR	3,600,607	1,000,000	3,600,000	3,600,000	1,000,000	1,000,000	0	13,800,607	0
124	General Capital	R&R	RR	0	2,600,000	0	0	2,600,000	2,600,000	0	7,800,000	0
125	Growth Related General Capital	Growth	Connection	200,000	200,000	200,000	200,000	200,000	200,000	0	1,200,000	0
126	Misc R&R - Carry Forward	R&R	RR	323,057	0	0	0	0	0	0	323,057	0
127	Total Water Capital Projects			14,326,844	29,807,965	51,214,520	50,640,300	40,288,150	44,302,254	0	230,580,033	115,480,654
128	TOTAL WATER SYSTEM			15,308,168	29,807,965	51,214,520	50,640,300	40,288,150	44,302,254	0	231,561,357	115,480,654
	WASTEWATER SYSTEM											
	Capitalized Labor:											
129	Funded from Fund 402	R&R	RR	\$954,139	\$0	\$0	\$0	\$0	\$0	\$0	\$954,139	0
130	Funded from Fund 403	Growth	Connection	0	0	0	0	0	0	0	0	0
131	Total Capitalized Labor			\$954,139	\$0	\$0	\$0	\$0	\$0	\$0	\$954,139	0
	Capital Projects											
	Collection and Transmission											
132	Springtree Network - Lift Station 103	R&R	Debt-1	0	0	1,311,272	0	0	0	0	1,311,272	0
133	Springtree Network - Lift Station 104	R&R	Debt-1	0	551,668	0	0	0	0	0	551,668	0
134	Springtree Network - Lift Station 106	R&R	N/A	0	0	0	0	0	0	0	0	750,223
135	Springtree Network - Lift Station 107	R&R	N/A	0	0	0	0	0	0	0	0	787,119
136	Springtree Network - Lift Station 109	R&R	Debt-1	0	647,149	0	0	0	0	0	647,149	0
137	Springtree Network - Lift Station 110	R&R	Debt-1	0	647,149	0	0	0	0	0	647,149	0
138	Springtree Network - Lift Station 112	R&R	Debt-1	0	657,758	0	0	0	0	0	657,758	0
139	Springtree Network - Lift Station 114	R&R	N/A	0	0	0	0	0	0	0	0	750,223
140	Northwest 68th Avenue Force Main Replacement	R&R	Debt-1	0	445,578	0	0	0	0	0	445,578	0

Table 7
City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis
Detailed Capital Improvement Project (CIP) Listing and Funding III

Line No.	Description	Project Type	Funding Source	Projected Fiscal Year Ending September 30,							Forecast	
				2009	2010	2011	2012	2013	2014	Total	Beyond Forecast	
		(Growth,										
141	Lift Station 172 Force Main Replacement	R&R	Debt-4	0	0	0	0	255,040	0	255,040	0	
142	Northwest 82nd Avenue Force Main Replacement	R&R	Debt-2	0	0	1,824,854	0	0	0	1,824,854	0	
143	Lift Station 130 Force Main Replacement	R&R	Debt-4	0	0	0	0	162,298	0	162,298	0	
144	Lift Station 119 Force Main Replacement	R&R	Debt-4	0	0	0	0	150,706	0	150,706	0	
145	Sunset Strip Force Main Replacement	R&R	Debt-2	0	0	885,109	0	0	0	885,109	0	
146	N. Sunrise Lakes Drive Force Main Replacement	R&R	Debt-4	0	0	0	0	324,597	0	324,597	0	
147	Lift Station 126 Force Main Replacement	R&R	Debt-4	0	0	0	0	324,597	0	324,597	0	
148	Sawgrass Network - Lift Station 174	R&R	N/A	0	0	0	0	0	0	0	676,431	
149	Sawgrass Network - Lift Station 319	R&R	Debt-4	0	0	0	0	0	728,372	728,372	0	
150	Sawgrass Network - Lift Station 324	R&R	Debt-4	0	0	0	0	0	764,193	764,193	0	
151	Sawgrass Network - Lift Station 344	R&R	Debt-2	0	0	699,345	0	0	0	699,345	0	
152	Sawgrass Network - Lift Station 346	R&R	N/A	0	0	0	0	0	0	0	676,431	
153	Sawgrass Network - Lift Station 348	R&R	N/A	0	0	0	0	0	0	0	676,431	
154	Sawgrass Network - Lift Station 350	R&R	Debt-4	0	0	0	0	0	764,193	764,193	0	
155	Sawgrass Network - Lift Station 352	R&R	Debt-3	0	0	0	720,326	0	0	720,326	0	
156	Sawgrass Network - Lift Station 353	R&R	Debt-3	0	0	0	720,326	0	0	720,326	0	
157	Sawgrass Network - Lift Station 355	R&R	Debt-3	0	0	0	720,326	0	0	720,326	0	
158	Lift Station 209 Force Main Replacement	R&R	Debt-4	0	0	0	0	173,891	0	173,891	0	
159	Lift Station 327 Force Main Replacement	R&R	Debt-4	0	0	0	0	289,819	0	289,819	0	
160	Lift Station 218 Force Main Replacement	R&R	Debt-4	0	0	0	0	150,706	0	150,706	0	
161	Lift Station 143 Force Main Replacement	R&R	Debt-4	0	0	0	0	139,113	0	139,113	0	
162	Lift Station 208 Force Main Replacement	R&R	Debt-4	0	0	0	0	0	179,108	179,108	0	
163	Lift Station 240 Force Main Replacement	R&R	Debt-4	0	0	0	0	0	167,167	167,167	0	
164	Lift Station 246 Force Main Replacement	R&R	Debt-4	0	0	0	0	0	167,167	167,167	0	
165	Lift Station 223 Force Main Replacement	R&R	Debt-4	0	0	0	0	139,113	0	139,113	0	
166	Lift Station 321 Force Main Replacement	R&R	Debt-4	0	0	0	0	162,298	0	162,298	0	
167	Lift Station 409 Force Main Replacement	R&R	Debt-4	0	0	0	0	0	167,167	167,167	0	
168	Sawgrass WWTP Force Main Replacement	R&R	Debt-2	0	0	327,818	0	0	0	327,818	0	
169	Lift Station 207 Force Main Replacement	R&R	Debt-4	0	0	0	0	150,706	0	150,706	0	
170	Lift Station 352 Force Main Replacement	R&R	Debt-4	0	0	0	0	220,262	0	220,262	0	
171	Lift Station 235 Force Main Replacement	R&R	Debt-4	0	0	142,055	0	0	0	142,055	0	
172	Lift Station 241 Force Main Replacement	R&R	Debt-2	0	0	0	146,316	0	0	146,316	0	
173	Lift Station 348 Force Main Replacement	R&R	Debt-3	0	0	677,491	0	0	0	677,491	0	
174	Lift Station 174 Force Main Replacement	R&R	Debt-2	0	0	0	0	0	0	0	0	
175	Lift Station 353 Force Main Replacement	R&R	Debt-3	0	0	0	157,571	0	0	157,571	0	
176	Lift Station 346 Force Main Replacement	R&R	N/A	0	0	0	0	0	0	0	172,182	
177	Southwest Flow Expansion Project - Pump Stations	R&R	Connection	0	0	0	1,171,992	1,408,344	1,450,594	4,030,930	0	
	Wastewater Treatment											
178	Train 1 Aeration Improvements by 2015	Growth	Debt-4	0	0	0	0	2,898,185	4,895,614	7,793,799	5,042,483	
179	Train 2 Aeration Improvements by 2015	Growth	Connection	0	0	0	0	6,221,012	6,221,012	12,442,024	4,070,882	
180	Replace Bar Screens and Motorize Slide Gates	R&R	Debt-4	0	0	0	0	475,302	835,837	1,311,139	860,912	
181	Grit Removal Improvements - Phase 1 (Extra Pump)	Regulatory	Connection	432,600	0	0	0	0	0	432,600	0	
182	Plant Water Pump Improvements	R&R	N/A	0	0	0	0	0	0	0	627,236	
183	Aeration Improvements by 2015	Growth	Connection	0	0	0	0	1,159,274	1,779,138	2,938,412	1,832,512	
184	Replace Bar Screens and Motorize Slide Gates	R&R	N/A	0	0	0	0	0	0	0	2,324,462	
185	Grit Removal Improvements - Phase 1 (Extra Pump)	Regulatory	Connection	432,600	0	0	0	0	0	432,600	0	
	Effluent Disposal and Reuse											
186	Sawgrass WWTP Injection Well Pump Station Pump No. 8	Regulatory	Prior-Debt	618,000	0	0	0	0	0	618,000	0	
187	Sawgrass WWTP Injection Well Pump Station Expansion	Regulatory	Prior-Debt	1,779,840	1,833,235	0	0	0	0	3,613,075	0	
188	SGIWP02 - Secondary Funding Source	Regulatory	Connection	444,960	458,309	0	0	0	0	903,269	0	
189	Mechanical Integrity Testing of IW-1 through IW-3	Regulatory	RR	0	0	0	382,673	0	0	382,673	1,254,471	
190	Reuse Opportunity No. 1 - Scalping Plant at the Park City Site	Growth	N/A	0	0	0	0	0	0	0	36,281,279	
191	Reuse Opportunity No. 2 - Large User Reuse at the Springtree Biosolids	Growth	N/A	0	0	0	0	0	0	0	17,734,781	
192	Sawgrass Thickening Capacity & Odor Control Improvements - Phase 1	R&R	Debt-1	0	1,285,909	2,906,654	1,305,590	0	0	5,498,153	0	

Footnotes on Page 7 of 7.

Table 7
City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis
Detailed Capital Improvement Project (CIP) Listing and Funding [1]

Line No.	Description	Project Type	Funding Source	Projected Fiscal Year Ending September 30,							Forecast Total	Beyond Forecast
				2009	2010	2011	2012	2013	2014			
193	SGBC001 - Secondary Funding Source	(Growth, R&R	Prior-Debt	296,545	0	0	0	0	0	0	296,545	0
194	Savgrasse Anaerobic Digestion - Phase 1	R&R	Debt-1	0	3,429,089	9,004,070	5,627,544	0	0	0	18,060,703	0
195	SGBC002 - Secondary Funding Source	R&R	Prior-Debt	790,787	0	0	0	0	0	0	790,787	0
196	Savgrasse Centrifugal Dewatering - Phase 1	R&R	Debt-1	0	1,028,727	3,278,181	1,125,509	0	0	0	5,432,417	0
197	SGBC003 - Secondary Funding Source	R&R	Prior-Debt	237,236	0	0	0	0	0	0	237,236	0
198	Savgrasse Paddle Drying System - Phase 2	Growth	Connection	0	0	0	0	0	0	0	3,582,157	11,554,050
199	Springtree Sludge Holding Tanks Capacity Improvements - Phase 1	R&R	Debt-1	0	445,782	1,234,782	675,305	0	0	0	2,355,869	0
200	STBC001 - Secondary Funding Source	R&R	Prior-Debt	102,802	0	0	0	0	0	0	102,802	0
201	Springtree Anaerobic Digestion - Phase 1	R&R	Debt-1	0	1,628,817	4,141,435	2,701,221	0	0	0	8,471,473	0
202	STBC003 - Secondary Funding Source	R&R	Prior-Debt	375,624	0	0	0	0	0	0	375,624	0
203	Springtree Centrifugal Dewatering - Phase 1	R&R	Debt-1	0	1,114,454	1,966,909	2,689,966	0	0	0	5,771,329	0
204	STBC004 - Secondary Funding Source	R&R	Prior-Debt	257,006	0	0	0	0	0	0	257,006	0
205	Collection & Transmission Repairs / R&R	R&R	Debt-1	0	4,243,600	0	0	0	0	0	4,243,600	0
206	Sunrise CIP - Secondary Funding Source	R&R	Debt-2	0	0	4,370,908	4,502,035	0	0	0	8,872,943	0
207	Sunrise CIP - Tertiary Funding Source	R&R	Debt-4	0	0	0	0	4,637,096	5,970,261	10,607,357	0	0
208	Sunrise CIP - Fourth Funding Source	R&R	N/A	0	0	0	0	0	0	0	0	109,606,359
209	Wastewater Treatment Facilities / R&R	R&R	Prior-Debt	51,500	0	0	0	0	0	0	51,500	0
210	Mechanical Bar Screens Capacity Study by 2015	R&R	Prior-Debt	51,500	0	0	0	0	0	0	51,500	0
211	Grit Removal System Capacity Study by 2015	R&R	Prior-Debt	51,500	0	0	0	0	0	0	51,500	0
212	Train 1 and Train 2 Clarifier Stress Test	R&R	N/A	0	0	0	0	0	0	0	0	1,341,792
213	Grit Removal Improvements - Phase 2 (Vortex Chamber, Classifier)	R&R	N/A	0	0	0	0	0	0	0	0	184,481
214	Splitter Box Inspection and Coatings	R&R	Debt-1	0	238,703	819,545	0	0	0	0	1,058,248	0
215	Clarifier & Scum System Improvements (Nos. 5-8 Scum Systems)	R&R	RR	77,250	0	0	0	0	0	0	77,250	0
216	SGR005A - Secondary Funding Source	R&R	Debt-1	0	954,810	1,639,091	1,688,263	0	0	0	4,282,164	0
217	Clarifier & Scum System Improvements (Nos. 1-4 Rehab)	R&R	N/A	0	0	0	0	0	0	0	0	3,886,401
218	Replace RAS Pumps	R&R	N/A	0	0	0	0	0	0	0	0	1,955,499
219	Replace WAS Pumps	R&R	N/A	0	0	0	0	0	0	0	0	788,251
220	Chlorine Contact Basin Improvements	R&R	Debt-3	0	0	388,301	399,950	0	0	0	788,251	0
221	Replace Sodium Hypochlorite Facility	R&R	Debt-3	0	0	1,412,514	1,454,889	0	0	0	2,867,403	0
222	Replace Plant Site Lift Station Pumps	R&R	N/A	0	0	0	0	0	0	0	0	750,223
223	Replace Pretreatment Odor Control System	R&R	Debt-3	0	0	0	0	770,917	0	0	1,519,380	0
224	Electrical System Improvements \$ 1270000	R&R	N/A	0	0	0	0	0	0	0	0	1,561,940
225	Diesel Fuel Storage Tank Replacement	R&R	RR	0	53,045	0	0	0	0	0	53,045	565,742
226	Control System Computer and Software Upgrade	R&R	RR	0	222,789	0	0	0	0	0	222,789	0
227	Control System Validation	R&R	RR	0	159,135	0	0	0	0	0	159,135	0
228	PLC Upgrade	R&R	N/A	0	0	0	0	0	0	0	0	344,365
229	Replace Site Lighting	R&R	N/A	0	0	0	0	0	0	0	0	799,418
230	Replace Roofing	R&R	N/A	0	0	0	0	0	0	0	0	2,053,889
231	Grit Removal Improvements - Phase 2 (Vortex Chamber, Classifier)	R&R	N/A	0	0	0	0	0	0	0	0	1,291,368
232	Splitter Box Inspection and Coatings	R&R	N/A	0	0	0	0	0	0	0	0	209,079
233	Clarifier and Scum System Improvements	R&R	Debt-2	0	814,082	0	838,504	0	0	0	1,652,586	0
234	Replace RAS Pumps	R&R	N/A	0	0	0	0	0	0	0	0	2,164,578
235	Replace WAS Pumps and WAS Tank Mixers	R&R	N/A	0	0	0	0	0	0	0	0	3,480,543
236	Chlorine Contact Basin Improvements	R&R	Debt-2	0	0	1,125,509	0	0	0	0	1,125,509	0
237	Replace Sodium Hypochlorite Facility	R&R	Debt-2	0	0	1,170,529	1,205,645	0	0	0	2,376,174	0
238	Inspect and Recast Lift Station	R&R	N/A	0	0	0	0	0	0	0	0	36,896
239	Replace Odor Control System	R&R	Debt-2	0	0	0	827,249	852,066	0	0	1,679,315	0
240	Plant Water Pump Improvements	R&R	N/A	0	0	0	0	0	0	0	0	467,352
241	Electrical System Improvements	R&R	N/A	0	0	0	0	0	0	0	0	319,767
242	Diesel Fuel Storage Tank Evaluation	R&R	N/A	0	0	0	0	0	0	0	0	290,687
243	Control System Computer and Software Upgrade	R&R	RR	0	290,687	0	0	0	0	0	290,687	0
244	Control System Validation	R&R	RR	0	159,135	0	0	0	0	0	159,135	0
245	PLC Upgrade	R&R	N/A	0	0	0	0	0	0	0	0	344,365

Footnotes on Page 7 of 7.

Table 7
City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis
Detailed Capital Improvement Project (CIP) Listing and Funding [1]

Line No.	Description	Project Type	Funding Source	Projected Fiscal Year Ending September 30,						Forecast Total	Beyond Forecast	
				2009	2010	2011	2012	2013	2014			
(Growth.)												
245	Effluent Disposal and Reuse / R&R	R&R	Prior-Debt	51,500	0	0	0	0	0	0	0	
246	Equalization Tank Interior Inspection	R&R	RR	0	0	0	0	452,117	465,680	51,500	0	
247	Equalization Tank Improvements	R&R	Prior-Debt	206,000	0	0	0	0	0	206,000	0	
248	Effluent Flow Meter Replacement	R&R	N/A	0	0	0	0	0	0	0	897,808	
249	Reuse and Effluent Pumps Upgrades	R&R	N/A	0	0	0	0	0	0	0	3,947,895	
250	Injection Well Pumps No. 1 through No.5 Replacement	R&R	Debt-4	0	0	0	0	0	346,275	346,275	0	
251	Injection Well Flow Meters Replacement	R&R	Prior-Debt	350,200	0	0	0	0	0	350,200	0	
252	MCC 1 Power Cables Replacement	R&R	Prior-Debt	432,600	0	0	0	0	0	432,600	0	
253	Biosolids Projects / R&R	R&R	N/A	0	0	0	0	0	0	0	614,937	
254	Sludge Thickening Bldg Reliability Improvements	City&R&R	RR	108,150	530,450	546,364	562,754	579,637	0	2,327,355	0	
255	City of Sunrise 5-Year CIP / R&R	City&R&R	RR	168,405	106,090	109,273	112,551	115,927	0	612,246	0	
256	Digital Atlas Project	City&R&R	Debt-4	0	0	0	0	0	597,026	597,026	1,248,322	
257	Springtree WWTP Security Improvements	City&R&R	Debt-4	0	0	0	0	176,801	1,700,975	1,877,776	1,752,005	
258	Sawgrass WWTP Security Improvements	City&R&R	Debt-4	0	0	0	0	2,958,483	0	2,958,483	0	
259	Sawgrass O&M Facility	City&R&R	RR	38,786	0	0	0	0	0	38,786	0	
260	Sunrise CIP - Secondary Funding Source	City&R&R	RR	0	0	0	318,465	5,138,955	0	5,457,420	0	
261	Sawgrass Equipment Maintenance Facility	City&R&R	RR	0	583,036	1,092,727	1,125,509	1,159,274	1,194,052	5,154,598	0	
262	System Wastewater Inflow & Infiltration Work	City&R&R	RR	995,946	1,273,080	1,420,545	1,463,161	1,391,129	0	6,543,861	0	
263	Miscellaneous Projects	City&R&R	RR	0	0	0	0	0	0	0	0	
264	Budget Departmental Capital	R&R	RR	3,600,607	0	0	0	0	0	3,600,607	0	
265	General Capital	R&R	RR	0	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000	18,000,000	0	
266	Growth Related General Capital	Growth	Connection	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000	0	
267	Misc R&R - Carry Forward	R&R	RR	334,939	0	0	0	0	0	334,939	0	
268	Total Wastewater Capital Projects			12,486,883	26,788,184	43,012,510	38,228,472	33,827,843	35,775,988	190,119,880	226,216,899	
269	TOTAL WASTEWATER SYSTEM			\$13,441,022	\$26,788,184	\$43,012,510	\$38,228,472	\$33,827,843	\$35,775,988	\$191,074,019	\$226,216,899	
270	TOTAL COMBINED SYSTEM			\$28,749,190	\$56,596,149	\$94,227,030	\$88,868,772	\$74,115,993	\$80,078,242	\$422,635,376	\$341,697,553	
FUNDING SOURCES [2]												
WATER SYSTEM												
271	Renewal and Replacement Fund	RR	RR	\$7,483,943	\$7,540,184	\$4,649,018	\$4,219,030	\$4,646,823	\$6,856,181	\$35,395,179	\$5,349,951	
272	Water Connection Fees	Connection	Prior-Debt	5,100,905	5,741,081	14,913,569	2,853,950	200,000	498,513	29,308,018	0	
273	Prior Period Bond Proceeds	Prior-Debt	Debt-1	2,723,320	2,244,864	0	0	0	0	4,968,184	0	
274	New Debt 1 - Series 2010 Bonds	Debt-1	Debt-1	0	14,281,836	15,727,622	2,729,358	8,485,886	0	32,738,816	0	
275	New Debt 2 - Series 2011 Bonds	Debt-2	Debt-2	0	0	15,924,311	16,507,838	8,485,886	0	40,918,035	0	
276	New Debt 3 - Series 2012 Bonds	Debt-3	Debt-3	0	0	0	24,330,124	22,260,381	19,625,443	66,215,948	1,697,226	
277	New Debt 4 - Series 2013 Bonds	Debt-4	Debt-4	0	0	0	0	4,695,060	17,322,117	22,017,177	16,010,498	
278	Total Water System			\$15,308,168	\$29,807,965	\$51,214,520	\$50,640,300	\$40,288,150	\$44,302,254	\$231,561,357	\$23,057,675	
WASTEWATER SYSTEM												
279	Renewal and Replacement Fund	RR	RR	\$6,278,222	\$6,977,447	\$6,768,909	\$7,565,113	\$12,437,039	\$5,259,732	\$45,286,462	\$1,820,213	
280	Wastewater Connection Fees	Connection	Prior-Debt	1,510,160	658,309	200,000	1,371,992	2,767,618	13,232,901	19,740,980	17,457,444	
281	Prior Period Bond Proceeds	Prior-Debt	Debt-1	5,652,640	1,833,235	0	0	0	0	7,485,875	0	
282	New Debt 1 - Series 2010 Bonds	Debt-1	Debt-1	0	17,319,193	26,301,939	15,813,398	2,057,711	0	59,434,530	0	
283	New Debt 2 - Series 2011 Bonds	Debt-2	Debt-2	0	0	9,741,662	8,463,826	2,057,711	0	20,263,199	0	
284	New Debt 3 - Series 2012 Bonds	Debt-3	Debt-3	0	0	0	5,014,143	2,625,756	0	7,639,899	0	
285	New Debt 4 - Series 2013 Bonds	Debt-4	Debt-4	0	0	0	0	13,959,719	17,283,355	31,223,074	8,903,722	
286	Total Wastewater System			\$13,441,022	\$26,788,184	\$43,012,510	\$38,228,472	\$33,827,843	\$35,775,988	\$191,074,019	\$28,181,379	

Table 7

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis
Detailed Capital Improvement Project (CIP) Listing and Funding II

Line No.	Description	Project Type	Funding Source	Projected Fiscal Year Ending September 30,							Forecast Total	Beyond Forecast	
				2009	2010	2011	2012	2013	2014				
(Growth)													
COMBINED SYSTEMS													
286	Renewal and Replacement Fund		RR	\$13,762,165	\$14,517,631	\$11,417,927	\$11,784,143	\$17,083,862	\$12,115,913	\$80,681,641	\$7,170,164		
287	Connection Fees Fund		Connection	6,611,065	6,399,390	15,113,569	4,225,942	2,967,618	13,731,414	49,048,998	17,457,444		
288	Prior Period Bond Proceeds		Prior-Debt	8,375,960	4,078,099	0	0	0	0	12,454,059	0		
289	New Debt 1 - Series 2010 Bonds		Debt-1	0	31,601,029	42,029,561	18,542,756	0	0	92,173,346	0		
290	New Debt 2 - Series 2011 Bonds		Debt-2	0	0	25,665,973	24,971,664	10,543,597	0	61,181,234	0		
291	New Debt 3 - Series 2012 Bonds		Debt-3	0	0	0	29,344,267	24,886,137	19,625,443	73,855,847	1,697,226		
292	New Debt 4 - Series 2013 Bonds		Debt-4	0	0	0	0	18,634,779	34,605,472	53,240,251	24,914,220		
293	Total Capital Projects Funding			\$28,749,190	\$56,596,149	\$94,227,030	\$88,868,772	\$74,115,993	\$80,078,242	\$422,633,376	\$51,239,054		

Footnotes:

- [1] The projected Capital Improvement Projects (CIP) was based upon the identified Master Plan CIP. After discussions with City staff and the Consulting Engineer the Master Plan CIP was adjusted to: i) growth related projects were pushed outside of the Forecast Period or within the final year of the Forecast Period, where possible to link growth related projects to projected customer growth; and to ii) escalate capital project costs by a annually compounding inflation factor of 3.0%.
- [2] Funding for certain projects initiated within the final years of the Forecast Period and completed outside the Forecast Period have been indented within the funding sources in order to ensure that the projected funding for projects within the Forecast Period receive adequate funding.

Table 8

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Summary of Projected CIP Funding and Projects by Category III

Line No.	Description	Projected Fiscal Year Ending September 30,						Forecast	Outside
		2009	2010	2011	2012	2013	2014	Total	Forecast [2]
CAPITAL PROJECT EXPENDITURES									
1	Alternative Water Supply & Growth Projects	\$ 4,492,355	\$ 4,362,462	\$ 13,548,784	\$ 15,521,211	\$ 19,941,884	\$ 36,469,931	\$ 94,336,627	\$ 113,915,142
2	Renewals and Replacement Projects	16,964,435	41,645,905	61,916,122	65,649,081	47,218,465	40,026,154	273,420,162	169,500,650
3	Regulatory Compliance & Growth Projects	7,292,400	10,587,782	18,762,124	7,698,480	6,955,644	3,582,157	54,878,587	58,281,764
4	Total Capital Project Expenditures	\$ 28,749,190	\$ 56,596,149	\$ 94,227,030	\$ 88,868,772	\$ 74,115,993	\$ 80,078,242	\$ 422,635,376	\$ 341,697,556
FUNDING SOURCES									
5	Renewal and Replacement Fund	\$ 13,762,165	\$ 14,517,631	\$ 11,417,927	\$ 11,784,143	\$ 17,083,862	\$ 12,115,913	\$ 80,681,641	\$ 7,170,164
6	Connection Fees Fund	6,611,065	6,399,390	15,113,569	4,225,942	2,967,618	13,731,414	49,048,998	17,457,444
7	Prior Period Bond Proceeds	8,375,960	4,078,099	-	-	-	-	12,454,059	-
8	New Debt 1 - Series 2010 Bonds	-	31,601,029	42,029,561	18,542,756	-	-	92,173,346	-
9	New Debt 2 - Series 2011 Bonds	-	-	25,665,973	24,971,664	10,543,597	-	61,181,234	-
10	New Debt 3 - Series 2012 Bonds	-	-	-	29,344,267	24,886,137	19,625,443	73,855,847	1,697,226
11	New Debt 4 - Series 2013 Bonds	-	-	-	-	18,634,779	34,605,472	53,240,251	24,914,220
12	Total Funding Sources	\$ 28,749,190	\$ 56,596,149	\$ 94,227,030	\$ 88,868,772	\$ 74,115,993	\$ 80,078,242	\$ 422,635,376	\$ 51,239,054

Footnotes

[1] The projected Capital Improvement Projects (CIP) was based upon the identified Master Plan CIP. After discussions with City staff and the Consulting Engineer the Master Plan CIP was adjusted to: i) growth related projects were pushed outside of the Forecast Period or within the final year of the Forecast Period, where possible to link growth related projects to projected customer growth; and to ii) escalate capital project costs by a annually compounding inflation factor of 3.0%.

[2] Funding for certain projects initiated within the final years of the Forecast Period and completed outside the Forecast Period have been indented within the funding sources in order to ensure that the projected funding for projects within the Forecast Period receive adequate funding.

Table 9

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Projection of Renewal and Replacement Fund Transfers

Line No.	Description	Projected Fiscal Year Ending September 30,					
		2009	2010	2011	2012	2013	2014
Minimum Required Deposits [1]:							
1	Gross Revenues	\$63,822,097	\$85,288,760	\$93,924,441	\$103,527,893	\$114,177,551	\$117,724,865
2	Percent of Current Year Rate Revenue	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
3	Minimum Required Annual Deposit	\$3,191,105	\$4,264,438	\$4,696,222	\$5,176,395	\$5,708,878	\$5,886,243
Recommended Deposits [2]:							
4	Gross Revenues	\$63,822,097	\$85,288,760	\$93,924,441	\$103,527,893	\$114,177,551	\$117,724,865
5	Percent of Current Year Rate Revenue	5.00%	7.50%	7.50%	10.00%	10.00%	10.00%
6	Recommended R&R Fund Deposits	\$3,191,105	\$6,396,657	\$7,044,333	\$10,352,789	\$11,417,755	\$11,772,486
7	Additional Deposits [3]	87,721	5,842,005	4,070,774	1,476,347	1,120,345	(1,443,474)
8	Recognized Deposit from Rate Revenues [4]	\$3,278,826	\$12,238,662	\$11,115,107	\$11,829,136	\$12,538,100	\$10,329,012
9	Transfers from Fund 401 / Budgeted Coverage [3]	\$ 1,634,844	\$ 1,920,000	\$ 1,748,500	\$ 1,748,500	\$ 1,748,500	\$ 1,748,500
10	Total Annual Transfers to Fund 402 from Rate Revenues	\$ 4,913,670	\$ 14,158,662	\$ 12,863,607	\$ 13,577,636	\$ 14,286,600	\$ 12,077,512

Footnotes:

- [1] Represents the minimum transfer in order to satisfy rate covenant requirements of the Bond Ordinance 696-X-95-B. Reference Table 2.
- [2] Recommended deposits reflect an increase in dedicated funding for Renewals and Replacements of City utility infrastructure. Recommended deposits were developed after discussions with City staff and reflect a Pay-As-You-GO funding strategy for the renewal and replacement of existing infrastructure.
- [3] Where possible additional deposits from rate revenues were recognized in order to fund certain capital projects of the capital plan identified in Table 7 and 8. As can be seen above a negative deposit was recognized within Fiscal Year 2014 in order to take into account additional transfers from Fund 401 for Budgeted Coverage as shown in Table 1 and Table 13.
- [4] Represents transfers to Fund 402 directly from annual rate revenues as shown in Table 1.

Table 10

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Summary of Existing and Proposed Annual Debt Service Schedules (\$000's)

Line No.	Description	Series 1993 Bonds			Series 1996 Bonds			Series 1996 A Bonds			Series 1998 / A Bonds			Total Existing Debt Service			Series 2010 Bonds		
		P	I	Total	P	I	Total	P	I	Total	P	I	Total	P	I	Total	P	I	Total
Fiscal Year																			
1	2009	\$ 596	\$ 981	\$ 1,577	\$ 3,564	\$ 582	\$ 4,146	\$ 702	\$ 749	\$ 1,451	\$ 791	\$ 8,384	\$ 9,175	\$ 5,652	\$ 10,696	\$ 16,348	\$ -	\$ -	\$ -
2	2010	565	1,016	1,582	3,767	383	4,150	653	794	1,447	820	8,347	9,167	5,806	10,539	16,345	974	4,622	5,597
3	2011	900	1,718	2,618	2,958	172	3,129	612	834	1,447	864	8,309	9,172	5,333	11,033	16,366	1,358	6,105	7,462
4	2012	1,926	3,880	5,806	-	-	-	-	-	-	2,358	8,268	10,626	4,284	12,147	16,432	1,439	6,023	7,462
5	2013	344	842	1,187	-	-	-	-	-	-	7,025	8,138	15,163	7,369	8,980	16,350	1,526	5,937	7,462
6	2014	325	861	1,187	-	-	-	-	-	-	7,403	7,752	15,155	7,729	8,613	16,342	1,617	5,845	7,462
7	2015	294	844	1,137	-	-	-	-	-	-	7,864	7,345	15,209	8,158	8,188	16,346	1,714	5,748	7,462
8	2016	129	456	585	-	-	-	-	-	-	8,830	6,912	15,742	8,958	7,368	16,326	1,817	5,646	7,462
9	2017	666	96	762	-	-	-	-	-	-	9,140	6,426	15,567	9,806	6,523	16,329	1,926	5,536	7,462
10	2018	415	61	476	-	-	-	-	-	-	9,926	5,924	15,850	10,341	5,985	16,326	2,042	5,421	7,462
11	2019	750	39	790	-	-	-	-	-	-	10,159	5,378	15,537	10,909	5,417	16,326	2,164	5,298	7,462
12	2020	-	-	-	-	-	-	-	-	-	11,469	4,849	16,318	11,469	4,849	16,318	2,294	5,169	7,462
13	2021	-	-	-	-	-	-	-	-	-	12,061	4,253	16,314	12,061	4,253	16,314	2,432	5,031	7,462
14	2022	-	-	-	-	-	-	-	-	-	12,687	3,626	16,313	12,687	3,626	16,313	2,577	4,885	7,462
15	2023	-	-	-	-	-	-	-	-	-	13,342	2,966	16,308	13,342	2,966	16,308	2,732	4,730	7,462
16	2024	-	-	-	-	-	-	-	-	-	14,011	2,299	16,310	14,011	2,299	16,310	2,896	4,566	7,462
17	2025	-	-	-	-	-	-	-	-	-	14,705	1,599	16,303	14,705	1,599	16,303	3,070	4,393	7,462
18	2026	-	-	-	-	-	-	-	-	-	15,442	863	16,306	15,442	863	16,306	3,254	4,209	7,462
19	2027	-	-	-	-	-	-	-	-	-	888	91	979	888	91	979	3,449	4,013	7,462
20	2028	-	-	-	-	-	-	-	-	-	936	47	983	936	47	983	3,656	3,806	7,462
21	2029	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,876	3,587	7,462
22	2030	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,108	3,354	7,462
23	2031	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,355	3,108	7,462
24	2032	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,616	2,847	7,462
25	2033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,893	2,570	7,462
26	2034	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,186	2,276	7,462
27	2035	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,497	1,965	7,462
28	2036	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,827	1,635	7,462
29	2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,177	1,286	7,462
30	2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,548	915	7,462
31	2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,940	522	7,462
32	2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,760	106	1,866
33	2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	2042	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	2043	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	Total	\$ 6,911	\$ 10,795	\$ 17,705	\$ 10,289	\$ 1,136	\$ 11,425	\$ 1,967	\$ 2,377	\$ 4,345	\$ 160,720	\$ 101,776	\$ 262,496	\$ 179,887	\$ 116,083	\$ 295,970	\$ 102,720	\$ 121,155	\$ 223,875

Table 10

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis
Summary of Existing and Proposed Annual Debt Service Schedules in \$000's

Line No.	Description	Series 2011 Bonds			Series 2012 Bonds			Series 2013 Bonds			Total Proposed Debt Service			Existing and Proposed Debt Service		
		P	I	Total	P	I	Total	P	I	Total	P	I	Total	P	I	Total
Fiscal Year																
1	2009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,652	\$ 10,696	\$ 16,348
2	2010	-	-	-	-	-	-	-	-	-	974	4,622	5,597	6,780	15,162	21,942
3	2011	-	3,193	3,193	-	-	-	-	-	-	1,358	9,297	10,655	6,691	20,330	27,021
4	2012	-	4,257	4,257	-	3,921	3,921	-	-	-	1,439	14,201	15,640	5,723	26,349	32,072
5	2013	-	4,257	4,257	-	5,228	5,228	-	4,038	4,038	1,526	19,460	20,985	8,895	28,440	37,335
6	2014	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	1,617	20,714	22,331	9,346	29,327	38,673
7	2015	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	1,714	20,617	22,331	9,872	28,806	38,678
8	2016	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	1,817	20,514	22,331	10,775	27,882	38,658
9	2017	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	1,926	20,405	22,331	11,732	26,928	38,660
10	2018	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	2,042	20,290	22,331	12,382	26,275	38,657
11	2019	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	2,164	20,167	22,331	13,073	25,584	38,658
12	2020	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	2,294	20,037	22,331	13,763	24,887	38,650
13	2021	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	2,432	19,900	22,331	14,492	24,153	38,645
14	2022	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	2,577	19,754	22,331	15,264	23,380	38,644
15	2023	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	2,732	19,599	22,331	16,074	22,566	38,639
16	2024	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	2,896	19,435	22,331	16,907	21,735	38,642
17	2025	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	3,070	19,262	22,331	17,775	20,860	38,635
18	2026	-	4,257	4,257	-	5,228	5,228	-	5,384	5,384	3,254	19,077	22,331	18,696	19,941	38,637
19	2027	2,532	4,257	6,789	2,808	5,228	8,036	2,621	5,384	8,005	11,410	18,882	30,293	12,298	18,973	31,272
20	2028	3,528	4,105	7,633	3,912	5,060	8,972	3,652	5,227	8,879	14,749	18,198	32,946	15,685	18,244	33,929
21	2029	3,739	3,893	7,633	4,147	4,825	8,972	3,872	5,007	8,879	15,634	17,313	32,946	15,634	17,313	32,946
22	2030	3,964	3,669	7,633	4,396	4,576	8,972	4,104	4,775	8,879	16,572	16,375	32,946	16,572	16,375	32,946
23	2031	4,202	3,431	7,633	4,660	4,313	8,972	4,350	4,529	8,879	17,566	15,380	32,946	17,566	15,380	32,946
24	2032	4,454	3,179	7,633	4,939	4,033	8,972	4,611	4,268	8,879	18,620	14,326	32,946	18,620	14,326	32,946
25	2033	4,721	2,912	7,633	5,235	3,737	8,972	4,888	3,991	8,879	19,737	13,209	32,946	19,737	13,209	32,946
26	2034	5,004	2,628	7,633	5,550	3,423	8,972	5,181	3,698	8,879	20,921	12,025	32,946	20,921	12,025	32,946
27	2035	5,305	2,328	7,633	5,883	3,090	8,972	5,492	3,387	8,879	22,177	10,770	32,946	22,177	10,770	32,946
28	2036	5,623	2,010	7,633	6,236	2,737	8,972	5,821	3,058	8,879	23,507	9,439	32,946	23,507	9,439	32,946
29	2037	5,960	1,672	7,633	6,610	2,363	8,972	6,171	2,708	8,879	24,918	8,029	32,946	24,918	8,029	32,946
30	2038	6,318	1,315	7,633	7,006	1,966	8,972	6,541	2,338	8,879	26,413	6,534	32,946	26,413	6,534	32,946
31	2039	6,697	936	7,633	7,427	1,546	8,972	6,933	1,946	8,879	27,997	4,949	32,946	27,997	4,949	32,946
32	2040	7,099	534	7,633	7,872	1,100	8,972	7,349	1,530	8,879	29,600	3,269	27,349	29,600	3,269	27,349
33	2041	1,800	108	1,908	8,345	628	8,972	7,790	1,089	8,879	17,935	1,824	19,759	17,935	1,824	19,759
34	2042	-	-	-	2,116	127	2,243	8,258	621	8,879	10,374	748	11,122	10,374	748	11,122
35	2043	-	-	-	-	-	-	2,094	126	2,220	2,094	126	2,220	2,094	126	2,220
36	Total	\$ 70,945	\$ 104,019	\$ 174,964	\$ 87,140	\$ 125,869	\$ 213,009	\$ 89,730	\$ 127,707	\$ 217,437	\$ 350,535	\$ 478,749	\$ 829,284	\$ 530,422	\$ 594,832	\$ 1,125,254

Table 11
City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Historical and Projected Customer Statistics [1]

Line No.	Description	Fiscal Year Ended September 30,				Fiscal Year Ending September 30,					
		Historical				Projected					
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Water System											
Residential Class - Inside City											
1	Normal Growth					0	0	0	0	0	0
2	Incremental Growth					0	0	0	0	0	0
3	Average Accounts Served	20,930	20,960	20,956	20,984	20,984	20,984	20,984	20,984	20,984	20,984
4	Water Sales (000's)	1,752,148	1,788,701	1,627,918	1,540,274	1,540,274	1,540,310	1,540,310	1,540,310	1,540,310	1,540,310
5	Average Monthly Flow per Account (Gallons)	6,976	7,112	6,474	6,117	6,117	6,117	6,117	6,117	6,117	6,117
Residential Class - Outside City											
6	Normal Growth					0	7	10	25	50	75
7	Incremental Growth					0	0	0	0	0	0
8	Average Accounts Served	31,727	31,650	31,749	31,830	31,900	31,907	31,917	31,942	31,992	32,067
9	Water Sales (000's)	3,921,602	3,997,010	3,639,726	3,330,322	3,337,500	3,338,232	3,339,279	3,341,894	3,347,125	3,354,972
10	Average Monthly Flow per Account (Gallons)	10,300	10,524	9,553	8,719	8,719	8,719	8,719	8,719	8,719	8,719
General Service Class - Inside City											
11	Normal Growth					13	4	3	2	1	1
12	Incremental Growth					0	0	0	0	0	0
13	Average Accounts Served	1,705	1,717	1,765	1,782	1,795	1,799	1,802	1,804	1,805	1,806
14	Water Sales (000's)	695,085	719,502	681,457	645,659	646,200	647,640	648,720	649,440	649,800	650,160
15	Average Monthly Flow per Account (Gallons)	33,973	34,921	32,175	30,194	30,000	30,000	30,000	30,000	30,000	30,000
General Service Class - Outside City											
16	Normal Growth					4	5	5	5	5	5
17	Incremental Growth					0	0	0	0	0	0
18	Average Accounts Served	1,154	1,165	1,176	1,181	1,185	1,190	1,195	1,200	1,205	1,210
19	Water Sales (000's)	439,391	442,153	465,695	462,949	464,000	465,958	467,916	469,873	471,831	473,789
20	Average Monthly Flow per Account (Gallons)	31,730	31,628	33,000	32,666	32,630	32,630	32,630	32,630	32,630	32,630
Multi-Family Class - Inside City											
21	Normal Growth					0	0	0	0	0	0
22	Incremental Growth					0	0	0	0	0	0
23	Average Accounts Served	851	851	854	857	857	857	857	857	857	857
24	Unit Growth					0	0	0	0	0	0
25	Average Units Served	17,015	17,046	17,167	17,703	17,703	17,703	17,703	17,703	17,703	17,703
26	Water Sales (000's)	928,961	921,299	871,047	871,444	870,988	870,988	870,988	884,188	897,388	910,588
27	Average Monthly Flow per Unit (Gallons)	4,550	4,504	4,228	4,102	4,100	4,100	4,100	4,162	4,224	4,286
Multi-Family Class - Outside City											
28	Normal Growth					0	0	0	0	0	0
29	Incremental Growth					0	0	0	0	0	0
30	Average Accounts Served	462	459	464	465	465	465	465	465	465	465
31	Unit Growth					0	0	0	0	0	0
32	Average Units Served	9,821	9,765	9,974	10,008	10,000	10,000	10,000	10,000	10,000	10,000
33	Water Sales (000's)	530,553	540,461	531,504	528,505	528,000	528,000	528,000	528,000	528,000	528,000
34	Average Monthly Water Use per Unit	4,502	4,612	4,441	4,401	4,400	4,400	4,400	4,400	4,400	4,400
Government Service Class - Inside City											
35	Normal Growth					0	0	0	0	0	0
36	Incremental Growth					0	0	0	0	0	0
37	Average Accounts Served	10	10	11	13	13	13	13	13	13	13
38	Water Sales (000's)	18,613	32,319	26,926	30,378	30,000	30,000	30,000	30,000	30,000	30,000
39	Average Monthly Flow per Account (Gallons)	155,108	269,325	203,985	194,731	192,308	192,308	192,308	192,308	192,308	192,308
Government Service Class - Outside City											
40	Normal Growth					0	0	0	0	0	0
41	Incremental Growth					0	0	0	0	0	0
42	Average Accounts Served	27	28	28	30	30	30	30	30	30	30
43	Water Sales (000's)	36,373	32,643	29,937	32,135	32,000	32,000	32,000	32,000	32,000	32,000
44	Average Monthly Flow per Account (Gallons)	112,262	97,152	89,098	89,264	88,889	88,889	88,889	88,889	88,889	88,889
Irrigation Service - Inside City											
45	Normal Growth					0	0	0	0	0	0
46	Incremental Growth					0	0	0	0	0	0
47	Average Accounts Served	54	54	56	56	56	56	56	56	56	56
48	Water Sales (000's)	49,013	36,618	32,048	28,977	28,500	28,500	28,500	28,500	28,500	28,500
49	Average Monthly Flow per Account (Gallons)	75,637	56,509	47,690	43,121	42,411	42,411	42,411	42,411	42,411	42,411
Irrigation Service - Outside City											
50	Normal Growth					1	0	0	0	0	0
51	Incremental Growth					0	0	0	0	0	0
52	Average Accounts Served	469	466	465	464	465	465	465	465	465	465
53	Water Sales (000's)	76,129	71,304	57,744	60,300	61,000	61,000	61,000	61,000	61,000	61,000
54	Average Monthly Flow per Account (Gallons)	13,527	12,751	10,348	10,830	10,932	10,932	10,932	10,932	10,932	10,932

Footnotes on Page 3 of 3.

Table 11
City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Historical and Projected Customer Statistics III

Line No.	Description	Fiscal Year Ended September 30,				Fiscal Year Ending September 30,					
		Historical				Projected					
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Water System (continued)											
South Broward Residential (Special Rate)											
55	Normal Growth					0	0	0	0	0	0
56	Incremental Growth					0	0	0	0	0	0
57	Average Accounts Served	2,959	2,950	2,961	2,965	2,965	2,965	2,965	2,965	2,965	2,965
58	Water Sales (000's)	288,248	302,342	284,262	270,742	270,000	270,000	270,000	270,000	270,000	270,000
59	Average Monthly Flow per Account (Gallons)	8,118	8,541	8,000	7,609	7,589	7,589	7,589	7,589	7,589	7,589
South Broward Commercial (Special Rate)											
60	Normal Growth					0	0	0	0	0	0
61	Incremental Growth					0	0	0	0	0	0
62	Average Accounts Served	114	116	118	120	120	120	120	120	120	120
63	Water Sales (000's)	44,260	45,185	46,677	45,557	45,550	45,550	45,550	45,550	45,550	45,550
64	Average Monthly Flow per Account (Gallons)	32,354	32,460	32,964	31,637	31,632	31,632	31,632	31,632	31,632	31,632
South Broward Government (Special Rate)											
65	Normal Growth					0	0	0	0	0	0
66	Incremental Growth					0	0	0	0	0	0
67	Average Accounts Served	3	3	3	3	3	3	3	3	3	3
68	Water Sales (000's)	530	395	140	169	165	166	166	166	166	166
69	Average Monthly Flow per Account (Gallons)	14,722	10,972	3,889	4,694	4,583	4,600	4,600	4,600	4,600	4,600
South Broward Irrigation (Special Rate)											
70	Normal Growth					0	0	0	0	0	0
71	Incremental Growth					0	0	0	0	0	0
72	Average Accounts Served	339	336	335	334	334	334	334	334	334	334
73	Water Sales (000's)	23,144	22,334	17,917	16,981	16,900	16,900	16,900	16,900	16,900	16,900
74	Average Monthly Flow per Account (Gallons)	5,689	5,539	4,457	4,237	4,217	4,217	4,217	4,217	4,217	4,217
Total Water System											
75	Average Accounts / Units Served	86,327	86,266	86,764	87,473	87,553	87,569	87,587	87,619	87,675	87,756
76	Total Water Sales (000's)	8,804,050	8,952,266	8,312,998	7,864,392	7,871,077	7,875,244	7,879,329	7,897,821	7,918,570	7,941,935
77	Estimated Water Production (000's)	9,916,975	9,893,198	9,632,252	9,177,484	8,745,641	8,750,271	8,754,810	8,775,357	8,798,411	8,824,372
	Unaccounted for/ Unbilled Water:										
78	Amount	1,112,925	940,932	1,319,254	1,313,092	874,564	875,027	875,481	877,536	879,841	882,437
79	Percent of Production	11.22%	9.51%	13.70%	14.31%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
80	Average Daily Flow (MGD)	27.170	27.105	26.390	25.144	23.961	23.973	23.986	24.042	24.105	24.176

Footnotes on Page 3 of 3.

Table 11
City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Historical and Projected Customer Statistics [1]

Line No.	Description	Fiscal Year Ended September 30,				Fiscal Year Ending September 30,					
		Historical				Projected					
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Wastewater System											
Residential Class - Inside City											
81	Normal Growth					0	0	0	0	0	0
82	Incremental Growth					0	0	0	0	0	0
83	Average Accounts Served	20,930	20,959	20,956	20,984	20,984	20,984	20,984	20,984	20,984	20,984
84	Revenue Gallons (000's)	1,638,185	1,644,789	1,526,337	1,464,203	1,465,000	1,465,000	1,465,000	1,465,000	1,465,000	1,465,000
85	Average Monthly Revenue Gallons	6,522	6,540	6,070	5,815	5,818	5,818	5,818	5,818	5,818	5,818
Residential Class - Outside City											
86	Normal Growth					63	6	9	23	45	68
87	Incremental Growth					0	0	0	0	0	0
88	Average Accounts Served	30,515	30,774	30,867	30,944	31,007	31,013	31,022	31,045	31,090	31,158
89	Revenue Gallons (000's)	3,014,553	3,005,039	2,843,175	2,728,705	2,734,500	2,735,029	2,735,823	2,737,851	2,741,820	2,747,817
90	Average Monthly Revenue Gallons	8,232	8,137	7,676	7,349	7,349	7,349	7,349	7,349	7,349	7,349
General Service Class - Inside City											
91	Normal Growth					0	0	0	0	0	0
92	Incremental Growth					0	0	0	0	0	0
93	Average Accounts Served	1,547	1,571	1,612	1,630	1,630	1,630	1,630	1,630	1,630	1,630
94	Revenue Gallons (000's)	652,220	680,192	639,457	607,649	606,360	606,360	606,360	606,360	606,360	606,360
95	Average Monthly Revenue Gallons	35,134	36,081	33,057	31,066	31,000	31,000	31,000	31,000	31,000	31,000
General Service Class - Outside City											
96	Normal Growth					2	3	2	3	2	3
97	Incremental Growth					0	0	0	0	0	0
98	Average Accounts Served	1,043	1,068	1,083	1,095	1,097	1,100	1,102	1,105	1,107	1,110
99	Revenue Gallons (000's)	418,276	423,884	448,270	451,966	451,519	452,754	453,577	454,812	455,635	456,870
100	Average Monthly Revenue Gallons	33,419	33,075	34,493	34,396	34,300	34,300	34,300	34,300	34,300	34,300
Multi-Family Class - Inside City											
101	Normal Growth					0	0	0	0	0	0
102	Incremental Growth					0	0	0	0	0	0
103	Average Accounts Served	848	848	851	854	854	854	854	854	854	854
104	Unit Growth					0	0	0	0	0	0
105	Average Units Served	17,015	17,046	17,167	17,607	17,607	17,607	17,607	17,607	17,607	17,607
106	Revenue Gallons (000's)	906,782	892,747	846,912	847,665	845,136	845,136	845,136	858,006	870,876	883,746
107	Average Monthly Revenue Gallons	4,441	4,364	4,111	4,012	4,000	4,000	4,000	4,061	4,122	4,183
Multi-Family Class - Outside City											
108	Normal Growth					0	0	0	0	0	0
109	Incremental Growth					0	0	0	0	0	0
110	Average Accounts Served	462	459	464	465	465	465	465	465	465	465
111	Unit Growth					0	0	0	0	0	0
112	Average Units Served	9,821	9,765	9,974	10,008	10,000	10,000	10,000	10,000	10,000	10,000
113	Revenue Gallons (000's)	538,776	535,317	526,657	523,126	522,121	522,121	522,121	522,121	522,121	522,121
114	Average Monthly Revenue Gallons	4,572	4,568	4,400	4,356	4,351	4,351	4,351	4,351	4,351	4,351
Government Service Class - Inside City											
115	Normal Growth					0	0	0	0	0	0
116	Incremental Growth					0	0	0	0	0	0
117	Average Accounts Served	9	9	10	10	10	10	10	10	10	10
118	Revenue Gallons (000's)	18,605	32,313	26,923	28,067	28,000	28,000	28,000	28,000	28,000	28,000
119	Average Monthly Revenue Gallons	172,269	299,194	224,358	233,892	233,333	233,333	233,333	233,333	233,333	233,333
Government Service Class - Outside City											
120	Normal Growth					0	0	0	0	0	0
121	Incremental Growth					0	0	0	0	0	0
122	Average Accounts Served	25	26	26	29	29	29	29	29	29	29
123	Revenue Gallons (000's)	25,853	25,707	20,026	20,942	20,900	20,900	20,900	20,900	20,900	20,900
124	Average Monthly Revenue Gallons	86,177	82,394	64,186	60,178	60,057	60,057	60,057	60,057	60,057	60,057
South Broward Residential (Special Rate)											
125	Normal Growth					0	0	0	0	0	0
126	Incremental Growth					0	0	0	0	0	0
127	Average Accounts Served	2,817	2,836	2,835	2,836	2,836	2,836	2,836	2,836	2,836	2,836
128	Revenue Gallons (000's)	223,639	225,210	217,431	212,493	212,490	212,490	212,490	212,490	212,490	212,490
129	Average Monthly Flow per Account (Gallons)	6,616	6,618	6,391	6,244	6,244	6,244	6,244	6,244	6,244	6,244
South Broward Commercial (Special Rate)											
130	Normal Growth					0	0	0	0	0	0
131	Incremental Growth					0	0	0	0	0	0
132	Average Accounts Served	90	98	102	104	104	104	104	104	104	104
133	Revenue Gallons (000's)	38,033	39,356	40,505	40,051	40,050	40,050	40,050	40,050	40,050	40,050
134	Average Monthly Flow per Account (Gallons)	35,216	33,466	33,092	32,092	32,091	32,091	32,091	32,091	32,091	32,091
Total Wastewater System											
135	Average Accounts / Units Served	83,812	84,152	84,632	85,247	85,304	85,313	85,324	85,350	85,397	85,468
136	Total Revenue Gallons (000's)	7,474,922	7,504,554	7,135,693	6,924,867	6,926,076	6,927,840	6,929,457	6,945,590	6,963,252	6,983,354
137	Wastewater Treatment (000's)	8,183,266	8,033,861	8,208,492	8,856,586	7,870,541	7,872,545	7,874,383	7,892,716	7,912,786	7,935,630
138	Average Monthly Treated Flow per Acct (Gals)	8,137	7,956	8,083	8,658	7,689	7,690	7,691	7,706	7,722	7,737

Footnotes:

[1] Customer statistics were provided by City staff.

Table 12

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Summary of Projected Revenues

Line No.	Description	Projected Fiscal Year Ending September 30,					
		2009	2010	2011	2012	2013	2014
Revenue Under Existing Rates [1]:							
1	Water Charges	\$27,870,951	\$28,686,863	\$29,514,096	\$30,380,892	\$31,271,291	\$32,214,455
2	Wastewater Charges	29,915,706	30,780,411	31,655,124	32,581,662	33,526,935	34,505,885
3	Total Revenue Under Existing Rates	\$57,786,656	\$59,467,274	\$61,169,220	\$62,962,554	\$64,798,226	\$66,720,340
Other Operating Revenues [2]:							
4	Guaranteed Revenue/Water [3]	\$30,000	\$15,000	\$7,500	\$5,625	\$4,219	\$3,164
5	Capacity Reservation Fees/Water [3]	88,768	31,177	28,871	46,138	83,823	120,774
6	Guaranteed Revenue Wastewater [3]	32,500	16,250	8,125	6,094	4,570	3,428
7	Capacity Reservation Fees/WW [3]	71,544	10,066	20,167	57,196	77,015	132,680
8	Meter Connections	0	2,400	2,700	4,800	8,400	12,150
9	Service Charges	346,319	346,319	346,319	346,319	346,319	346,319
10	Other Miscellaneous	29,489	29,489	29,489	29,489	29,489	29,489
11	Rentals- Telecom Tower	60,243	43,795	45,367	46,128	46,912	47,720
12	Weston Garbage Billing Fee	0	0	0	0	0	0
13	Weston Cable Bill Fee	198,550	204,507	210,642	216,961	223,470	230,174
14	Administrative Fee	1,053,684	1,053,684	1,090,563	1,128,733	1,168,238	1,209,127
15	Total Other Operating Revenue	\$1,911,097	\$1,752,686	\$1,789,743	\$1,887,483	\$1,992,455	\$2,135,024
Connection Fee Revenues [2]							
16	403-0000-363-2305 - Water Connection Fee	\$193,500	\$49,500	\$42,000	\$65,250	\$108,750	\$150,750
17	403-0000-363-2306 - Wastewater Connection Fee	97,875	10,800	18,900	49,275	62,100	103,275
18	Total Connection Fee Revenue	\$ 291,375	\$ 60,300	\$ 60,900	\$ 114,525	\$ 170,850	\$ 254,025
19	Total Revenue Under Existing Rates	\$59,989,129	\$61,280,260	\$63,019,863	\$64,964,562	\$66,961,531	\$69,109,390

Footnotes:

[1] Amounts shown represent the calculation of revenues from the application of existing rates (including projected inflationary indexing) to projected customer statistics as derived from Table 11.

[2] Unless otherwise noted, amounts shown were based upon Fiscal Year 2009 budgeted amounts.

[3] Amounts shown were calculated based upon the application of existing fees as applied to customer growth as derived from Table 11.

Table 13

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Analysis of Cash and Investments and Development of Interest Income

Line No.	Description	Investment Reference [1]	Fiscal Year Ending September 30,					
			2009	2010	2011	2012	2013	2014
ENDING CASH BALANCE SUMMARY:								
1	FUND 401 - OPERATING RESERVE FUND		\$ 9,214,844	\$ 9,489,017	\$ 10,442,620	\$ 11,901,324	\$ 13,886,353	\$ 16,005,181
2	FUND 402 - RENEWAL AND REPLACEMENT FUND		398,436	39,467	1,485,147	3,278,640	481,378	442,978
3	FUND 403 - WATER CONNECTION FEE ACCOUNT		23,445,309	18,062,728	3,377,159	623,159	543,509	203,146
4	FUND 403 - WASTEWATER CONNECTION FEE ACCOUNT		37,721,134	37,634,625	38,110,525	37,443,208	35,459,490	22,907,764
5	FUND 405 - DEBT SERVICE RESERVE SUBACCOUNT		0	7,462,496	15,095,108	24,067,283	32,946,259	32,946,259
6	FUND 406 & 407 - BOND PROCEEDS (Construction Fund)		5,459,892	62,459,710	56,981,410	60,696,596	86,241,354	33,192,939
7	TOTAL PROJECTED END OF YEAR BALANCES		\$ 76,239,615	\$ 135,148,043	\$ 125,491,969	\$ 138,010,210	\$ 169,558,343	\$ 105,698,267
8	TOTAL PROJECTED END OF YEAR BALANCES (Less Debt Related Funds)		\$ 70,779,723	\$ 65,225,837	\$ 53,415,451	\$ 53,246,331	\$ 50,370,730	\$ 39,559,069
FUND 401 - OPERATING RESERVE FUND (U)								
9	Beginning Balance		\$ 14,200,000.00	\$ 9,214,843.75	\$ 9,489,016.90	\$ 10,442,619.98	\$ 11,901,323.72	\$ 13,886,352.71
10	Transfers In - Budgeted Coverage from Operations		1,634,844	2,194,173	2,702,103	3,207,204	3,733,529	3,867,328
11	Total Funds Available		15,834,844	11,409,017	12,191,120	13,649,824	15,634,853	17,753,681
12	Transfers Out - R&R Fund [3]		1,634,844	1,920,000	1,748,500	1,748,500	1,748,500	1,748,500
13	Transfers Out - R&R Fund (Additional Transfer for Capital Funding)		4,985,156	0	0	0	0	0
14	Total Transfers Out of Funds		6,620,000	1,920,000	1,748,500	1,748,500	1,748,500	1,748,500
15	Interest Rate		1.50%	1.50%	1.75%	1.75%	2.00%	2.00%
16	Interest Income on Fund		175,600	140,300	174,400	195,500	257,900	298,900
17	Ending Balance		9,214,844	9,489,017	10,442,620	11,901,324	13,886,353	16,005,181
18	Target - Days of Operating Expenses		90	90	90	90	90	90
19	Targeted Ending Cash Balance at 90 Days of Operating Expenses		10,494,244	12,061,034	13,089,748	13,911,661	14,935,225	15,991,703
20	Minimum Target Met as Percent (100% >= Met) [2]		88%	79%	80%	86%	93%	100%
FUND 402 - RENEWAL AND REPLACEMENT FUND								
21	Beginning Balance		\$4,261,775	\$398,436	\$39,467	\$1,485,147	\$3,278,640	\$481,378
22	Transfers In - Operations		3,278,826	12,238,662	11,115,107	11,829,136	12,538,100	10,329,013
23	Transfers In - Fund 401 [3]		6,620,000	1,920,000	1,748,500	1,748,500	1,748,500	1,748,500
24	Transfers Out - CIP [4]		13,762,165	14,517,631	11,417,927	11,784,143	17,083,862	12,115,913
25	Interest Rate		1.50%	1.50%	1.75%	1.75%	2.00%	2.00%
26	Interest Income on Fund		35,000	3,300	13,300	41,700	37,600	9,200
27	Use of Interest Income to Fund Revenue Requirements	(U)	35,000	3,300	13,300	41,700	37,600	9,200
28	Ending Balance		\$ 398,436	\$ 39,467	\$ 1,485,147	\$ 3,278,640	\$ 481,378	\$ 442,978
29	Percent Allocable to Water System		48.23%	48.23%	48.23%	48.23%	48.23%	48.23%
30	Amount Allocable to Water System		16,881	1,592	6,415	20,112	18,135	4,437
31	Amount Allocable to Wastewater System		\$ 18,119	\$ 1,708	\$ 6,885	\$ 21,588	\$ 19,465	\$ 4,763
FUND 403 - WATER CONNECTION FEE ACCOUNT								
32	Beginning Balance		\$ 27,970,013	\$ 23,445,309	\$ 18,062,728	\$ 3,377,159	\$ 623,159	\$ 543,509
33	Transfers In - Connection Fee Revenue		193,500	49,500	42,000	65,250	108,750	150,750
34	Transfers Out -CIP [4]		5,100,905	5,741,081	14,913,569	2,853,950	200,000	498,513
35	Interest Rate		1.50%	1.50%	1.75%	1.75%	2.00%	2.00%
36	Interest Income on Fund		382,700	309,000	186,000	34,700	11,600	7,400
37	Use of Interest Income to Fund Revenue Requirements	(R)	0	0	0	0	0	0
38	Ending Balance		23,445,309	18,062,728	3,377,159	623,159	543,509	203,146
39	Percent Allocable to Water System		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
40	Amount Allocable to Water System		382,700	309,000	186,000	34,700	11,600	7,400
41	Amount Allocable to Wastewater System		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND 403 - WASTEWATER CONNECTION FEE ACCOUNT								
42	Beginning Balance		\$ 38,565,519	\$ 37,721,134	\$ 37,634,625	\$ 38,110,525	\$ 37,443,208	\$ 35,459,490
43	Transfers In - Connection Fee Revenue		97,875	10,800	18,900	49,275	62,100	103,275
44	Transfer Out - CIP [4]		1,510,160	658,309	200,000	1,371,992	2,767,618	13,232,901
45	Interest Rate		1.50%	1.50%	1.75%	1.75%	2.00%	2.00%
46	Interest Income on Fund		567,900	561,000	657,000	655,400	721,800	577,900
47	Use of Interest Income to Fund Revenue Requirements	(R)	0	0	0	0	0	0
48	Ending Balance		37,721,134	37,634,625	38,110,525	37,443,208	35,459,490	22,907,764
49	Percent Allocable to Water System		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
50	Amount Allocable to Water System		0	0	0	0	0	0
51	Amount Allocable to Wastewater System		\$ 567,900	\$ 561,000	\$ 657,000	\$ 655,400	\$ 721,800	\$ 577,900
FUND 405 - DEBT SERVICE RESERVE SUBACCOUNT								
52	Beginning Balance		\$ -	\$ -	\$ 7,462,496	\$ 15,095,108	\$ 24,067,283	\$ 32,946,259
53	Transfers In - New Debt [5]		0	7,462,496	7,632,611	8,972,175	8,878,976	0
54	Interest Rate		1.50%	1.50%	1.75%	1.75%	2.00%	2.00%
55	Interest Income on Fund		0	56,000	197,400	342,700	570,100	658,900
56	Use of Interest Income to Fund Revenue Requirements	(U)	0	56,000	197,400	342,700	570,100	658,900
57	Ending Balance		0	7,462,496	15,095,108	24,067,283	32,946,259	32,946,259
58	Percent Allocable to Water System		58.00%	58.00%	58.00%	58.00%	58.00%	58.00%
59	Amount Allocable to Water System		0	32,483	114,502	198,783	330,686	382,194
60	Amount Allocable to Wastewater System		\$ -	\$ 23,517	\$ 82,898	\$ 143,917	\$ 239,414	\$ 276,706

Table 13

City of Sunrise, Florida
Water and Wastewater Revenue Sufficiency Analysis

Analysis of Cash and Investments and Development of Interest Income

Line No.	Description	Investment Reference [1]	Fiscal Year Ending September 30,					
			2009	2010	2011	2012	2013	2014
FUND 406 & 407 - BOND PROCEEDS (Construction Fund)								
61	Beginning Balance		\$ 13,693,252	\$ 5,459,892	\$ 62,459,710	\$ 56,981,410	\$ 60,696,596	\$ 86,241,354
62	Transfers In - New Debt Proceeds		0	92,173,346	61,181,234	75,553,073	78,154,471	0
63	Transfer Out - CIP [4]		8,375,960	35,679,128	67,695,534	72,858,687	54,064,513	54,230,915
64	Interest Rate - Earnings Available for Project Funding		1.50%	1.50%	1.75%	1.75%	2.00%	2.00%
65	Interest Income on Fund		142,600	505,600	1,036,000	1,020,800	1,454,800	1,182,500
66	Use of Interest Income to Fund Revenue Requirements	(R)	0	0	0	0	0	0
67	Ending Balance		5,459,892	62,459,710	56,981,410	60,696,596	86,241,354	33,192,939
68	Percent Allocable to Water System		58.00%	58.00%	58.00%	58.00%	58.00%	58.00%
69	Amount Allocable to Water System		82,715	293,273	600,931	592,114	843,856	685,908
70	Amount Allocable to Wastewater System		\$ 59,885	\$ 212,327	\$ 435,069	\$ 428,686	\$ 610,944	\$ 496,592
SINKING FUND ACCOUNT								
71	Sinking Fund Deposit		\$ 16,348,437	\$ 21,941,732	\$ 27,021,031	\$ 32,072,037	\$ 37,335,290	\$ 38,673,283
72	Average Balance (25% of Annual Debt Service)		4,087,109	5,485,433	6,755,258	8,018,009	9,333,822	9,668,321
73	Interest Rate		1.50%	1.50%	1.75%	1.75%	2.00%	2.00%
74	Interest Income on Fund		61,300	82,300	118,200	140,300	186,700	193,400
75	Use of Interest Income to Fund Revenue Requirements	(U)	61,300	82,300	118,200	140,300	186,700	193,400
76	Percent Allocable to Water System		58.005%	58.005%	58.005%	58.005%	58.005%	58.005%
77	Amount Allocable to Water System		35,557	47,738	68,562	81,381	108,295	112,182
78	Amount Allocable to Wastewater System		\$ 25,743	\$ 34,562	\$ 49,638	\$ 58,919	\$ 78,405	\$ 81,218
INTEREST INCOME SUMMARY								
79	Unrestricted Interest Income		\$ 271,900	\$ 281,900	\$ 503,300	\$ 720,200	\$ 1,052,300	\$ 1,160,400
80	Restricted Interest Income		1,093,200	1,375,600	1,879,000	1,710,900	2,188,200	1,767,800
81	Total Interest Income		\$ 1,365,100	\$ 1,657,500	\$ 2,382,300	\$ 2,431,100	\$ 3,240,500	\$ 2,928,200

Footnotes:

- [1] For purposes of this analysis interest income earned on cash balances was classified as unrestricted or restricted. Interest earnings identified as unrestricted is recognized as other income to reduce the net revenue requirements from rate revenues. Interest earnings identified as restricted is maintained within the respective fund.
- [2] A requirement of the Bond Ordinance, the City must maintain a minimum of 45 days of working capital on hand. Based on discussions with staff, an ending cash balance equivalent to 90 days of Operating Expenses was targeted. Amounts shown identify the projected ending cash balance as a percent of the targeted ending cash balances.
- [3] Transfers shown reflect available cash balances from Operating Reserves, which were transferred in order to fund identified capital improvements. Financial plan assumes recurring transfers from Operating Reserves to the Renewal and Replacement Fund as a result of recognizing the budgeted coverage financial policy of the City, which is identified within Table 12.
- [4] Reflects projected funding for capital improvements of the System as identified within Table 3.
- [5] Amounts shown reflect anticipated deposits to the Debt Service Reserve Account funded from proceeds of proposed additional parity bonds during the Forecast Period. Such transfers are equivalent to the maximum annual debt service payment associated with each proposed series of additional bonds.

